PARIS, FRIDAY, DECEMBER 18, 1992

ESTABLISHED 1887

Kohl, Impatient, Vows Troops for Somalia

By Craig R. Whitney

BONN - Chancellor Helmut Kohl announced Thursday that he wanted to send up to 1,500 armed troops to Somalia early next year to help the U.S.-led international relief effort, breaking a ban in effect since the early 1950s on using military force anywhere except for the

defense of German territory within NATO.

Deploring endless legalistic discussions about whether the constitution allowed the deployment of German troops beyond the North Atlantic Treaty Organization's territorial confines - an impasse that prevented Germany from taking part in the Gulf War last year -Mr. Kohl asked his coalition government Thursday to take action.

"This is extremely important for Germany's world reputation," Mr. Kohl said at a news

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conference. "I will personally insist on a rapid clarification by the coalition of how we proceed on a decisive question for our country's reputation and effectiveness."

Since the Gulf War, some of Germany's allies have been accusing it of hiding behind its 1949 constitution, which contains no explicit ban on troop deployment abroad but has been interpreted as if it did by all political parties since the country reacquired armed forces more than 10 years after World War II.

Germany sent warships to take part in NATO and Western European Union naval missions monitoring the United Nations military embargo on the former Yugoslavia last summer, but fell back this fall when the United Nations authorized the ships to use force to prevent cargo vessels from breaking the ban. German military commanders have been

saying privately for months that they were ready and willing to undertake peacekeeping carry ont humanitarian aid in Somalia, but only missions wherever needed, but were stymied by politicians' reluctance to let them take a more active role.

The opposition Social Democratic Party announced that it would challenge Mr. Kohl's decision on Somalia in the Federal Constitu-tional Court in Karlsruhe. The opposition leader, Björn Engholm, said that the decision was "unacceptable" because German troops would be exposed to danger.

Mr. Kohl said he would seek agreement with the opposition next month on a less passive German security policy. He announced the government moves after returning from a brief visit to Moscow, where he took action after his defense minister, Volker Rühe, had said over the weekend that the 450,000-strong German

after fighting stopped there.

But the chancellor and other officials reiterated Thursday that Germany was neither ready nor willing to send ground troops into Bosnia-Herzegovina or other parts of the Balkans to counter aggression by Serb-led forces in the war

That conflict has underscored the impotence of NATO and the European Community to deal with the explosive ethnic tensions that have replaced the Cold War as the greatest threat to peace in this part of the world.

"Somalia and, on our doorstep, the former Yugoslavia show clearly what happens when the world community is not able to respond decisively to brutal force and violation of ele-See TROOPS, Page 6

Allies Reject U.S. Offer To Patrol Bosnia Skies

But the Europeans Agree to Support Any UN Bid to Enforce 'No-Fly' Zone

Compiled by Our Staff From Dispatches

BRUSSELS - The NATO allies on Thursday rejected an American offer to send warplanes to shoot down Serbian aircraft violating a United Nations flight ban over Bosnia. But they said they would "support" the United Nations if it decided to enforce the ban.

The compromise appeared to be a middle ground between the U.S. call for tough action and the more caotious line advocated by Britain

The leader of Bosnia's Serbs, Radovan Karadzic, warned Thursday that UN troops in Bosnia might be attacked if Western nations tried to enforce the flight ban, and the U.S. secretary of state, Lawrence S. Eagleburger. said bumanitarian aid to Bosnia might have to stop if the United Nations moved to enforce the 'oc-fly" zone.

Mr. Karadzic said the UN troops in Bosnia-Herzegovina would be proclaimed "enemies" if the United Nations decided to shoot down Serbian planes.

Manfred Wörner, the secretary-general of

the North Atlantic Treaty Organization, said the alliance would not be influenced by such threats. "We will do what we think is necessary," he said.

Foreign Minister Hans van den Broek of the Netherlands reacted furiously to Mr. Karad-zic's remarks. "I think the time is coming to an end where we should be intimidated," Mr. van den Broek said.

Mr. Eagleburger said there were differences among the allies on a resolution to enforce the flight ban, including whether a warning should be issued before using military force. He ac-knowledged that a NATO statement was probably oot as tough as the U.S. proposal. But, be said, "it is totally satisfactory"

The NATO talks are the third international

discussion this week on the war in the former Yogoslav republic. They come amid growing frustration over the failure of diplomats to stop the Serbian onslaught in Bosnia.

lo their statement, NATO foreign ministers did not specify how the allies would have the United Nations enforce the air-exclusion zone imposed in October, or how the allies should respond to violations. UN inspectors have detected more than 225

violations since the ban went into effect, but said none of the flights had been used for Forcign Severary Douglas Hurd of Britain, who has been electron to support an American call for tougher military measures against the Serbs, said the UN Security Council would

issue an enforcement resolution "reasonably Earlier, Mr. Eagleburger offered U.S. aircraft to enforce the ban on Serbian flights. The Netherlands and Turkey were the only coun-tries to back the U.S. proposal, which Mr. Eagleburger had expected to draw wider support. The Netherlands has also offered war-

Mr. van den Broek said there was "great hesitancy" to enforce the ban among the other allies, who feared an escalation of the war and

retaliation against UN peacekeepers on the Britain, which has 2,500 troops guarding aid

convoys in Bosnia, has been the most reluctant to take steps that would put the soldiers at risk. Foreign Minister Klaus Kinkel of Germany also stressed that nations should exercise restrains for fear thas innocent people would be burt in retaliation.

Last week, NATO foreign ministers said they would be willing to intervene militarily, but only if asked by the United Nations, NATO military aides have begun drawing up contingency plans in case the alliance is pressed by the Security Council for further action.

Allied warships are already taking part in a naval blockade of Serbia and Montenegro in the Adriatic Sea in an effort to enforce a UN embargo against the two remnants of the for-

mer Yugoslavia. War broke out in Bosnia after majority Muslims and Croats voted for independence in February from Serb-dominated Yugoslavia. over the objection of ethnic Serbs. At least 17,000 people have died and well over 100,000 are reported missing.

The NATO ministers, backing statements

made by Mr. Eagleburger, said those responsible for atrocities in Yugoslavia - no matter what faction they belong to -- "are accountable for their actions and liable to be judged accord-

ingly."
Mr. Eagleburger said Wednesday at a peace conference in Geneva that those with "political and command responsibility" for civilian deaths in Bosnia should be tried under interna-

There were these other developments on

 The parliament of the Serbs' self-declared republic in Bosnia-Herzegovina declared an end of their eight-mooth war there, the Belgrade-based Tanjug press agency reported. The report said the unilateral declaration would come into force in eight days. But there has been no sign that forces of the Muslim-led government in Sarajevo will stop fighting. which would in effect mean accepting a ceasefire line that leaves most of the republic under control of Serbs

· A crowd of 200,000 Serbs massed in central Belgrade to support Prime Minister Milan Panic of Yugoslavia, a moderate, to his attempt to oust Serbia's hard-line nationalist president. Slobodan Milosevic, in elections on Sunday.

"The elections are an introduction to democratic changes by peaceful means and not by guns and graves in their style," Mr. Fanie said. Mr. Panic told his supporters, who over-flowed from a central Belgrade square, that the world was oot against Serbia.

 In Strasbourg, France, the European Parliament strongly coodemned the systematic rape of thousands of Muslim women in Bosnia Herzegovina and said the rapes should be regarded as war crimes.

The Strasbourg-based assembly called in a resolution "for those responsible for these crimes against humanity to be brought to trial and the victims compensated.

(AP. Reuters, AFP)

Buses containing the Palestinian prisoners at the Metulia border crossing, between Israel and Lebanou on Thursday. An Israel court rejected moves to halt the expulsion.

Israel, Striking Back, Deports Nearly 400 Arabs

sions ordered by the government and sanctioned by Israel's Supreme Court after a day of eal arguments and acrimony.

There have not been deportations of Palestinians on anything approaching this scale since the period soon after Israel took control of the West Bank and Gaza Strip in the 1967 Middle

Prime Minister Yitzhak Rabin defended the action as a necessary blow against Islamic fun-

rights outcry and warnings from Palestinian leaders that Israel itself may have delivered a boycotted in Washington on Thursday as the latest round staggered fruitlessly to a close. In Tunis, the Palestine Liberation Organiza-

tion said the Palestinians were suspending their participation in the peace process until Israel allowed the deportees to return to their homes, The Associated Press reported.]

By Clyde Haberman damentalists, who in recent days have killed a Human rights groups and some foreign government. Service four Israell soldiers and a Berdet policement of the European Community, had appealed to bound and blindfolded Palestinians crossed the border into Lebanon on Thursday night as Israeli troops carried out mass service.

damentalists, who in recent days have killed a Human rights groups and some foreign government, and who, he said, would destroy Middle East of the European Community, had appealed to Israel not to follow though on the expedience.

But as Israeli officials had expected the mass of the European Community, had appealed to Israel not to follow though on the expedience. from occupied territories.

Even some of the 16 cabinet ministers who knowledged that they were not entirely com-fortable with their vote. The deportations were approved unanimously with the exception of Justice Minister David Libal, who abstained.

Most of those who approved were left-of-center politicians who had spent years in the opposition and who had protested when previois government expelled Palestinians. Since the stage of the soon Israel parting in the occupied territories in December 1987, there had been a total of 66 such expulsions.

But the ministers said they had had no choice, Israel, they argued, had to strike hard, especially against the militant fundamentalist group Hamas, which is unalterably opposed to peace talks and which has taken respon bility for the recent spate of killings.

For his part, Mr. Rabin said he had to act against. "an escalation of murderous terrorist activity" by Hamas and another group, Islamie Jihad. To do nothing would have risked making

See EXPEL, Page 6

Ready to Deal,

BELJING - President Boris N. Yeltsin of Russia arrived here Thursday for a three-day visit intended to cement economie ties with China and revive a working relationship that was thrown into doubt by the collapse of the Soviet Union and the abandonment of commu-

"We have to open a new era in relations between Russia and China," Mr. Yeltsin said officials left their plane at a Beijing airport.

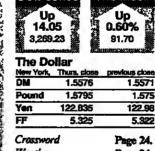
Mr. Yeltsin will meet with the Communist Party leader, Jiang Zemin, but he comes to China as an economic broker, not a political one, and as a head of state, not as a Communist Party leader. His task is to bolster economic relations, beginning with plans to sign about 20 agreements that seal cooperation between Beijing and Moscow in a range of fields from military matters and nuclear power pacts to cultural and scientific exchanges.

hail S. Gorbachev, who arrived in May 1989 to mark the formal end of the three-decade Chinese-Soviet split, ona of the most important rivalries in the latter part of this century. Mr. Gorbachev's visit was particularly significant because it came during the Tiananmen Square democracy movement, which welcomed him as

Indeed, Mr. Gorbachev's visit gave a new See YELTSIN, Page 6







Page 24.

A WASH — A Marine seeing whether a Baidoa puddle worked wonders on a stain. More food was looted in Somalia on Thursday. Page 6.

BA Wins 25% Qantas Stake

Kiosk

British Airways outbid Singapore Airlines on Thursday to be a partner of Qantas Airlines. The British carrier will buy a quarter of Qantas from the Australian government for 665 million Australian dollars (\$458 million).

The purchase and partnership give British Airways, which has been on an acquisition spree, a strong position in the southern Pacific rim.

In recent months, BA has purchased Dan-Air of Britain, a 49.9 percent stake in TAT of France and an airline now known as Deutsche BA, and next year it is to start a joint project with

General News

Hispanics and veterans get voices in Clinton's latest cab-

Taiwan got a taste of direct democracy in legislative Page 8.

inet appointments. Page 7.

Aeroflot called Air Russia. (Page 15)

A Shopping guide for Paris CNN is taking a stake in a German television news sta-

U.S. Embassies Open Jobs to (Mostly Lower-Paid) Americans

By John M. Goshko hington Past Service

WASHINGTON - The State Department has agreed to allow American citizens to compete for jobs in U.S. embassies that only foreign nationals have been allowed to hold.

At issue are about 9,400 positions - among them drivers, cooks, clerks, secretaries, accountants and translators - that have been officially classified as "foreign service national" slots. Last month, the department instructed embassies to start putting into effect legislation

Democrat of West Virginia.

The new directive said, "We have agreed to require that posts consider American citizens, both American family members and resident Americans, for FSN positions as they become

No one knows how many Americans will actually wind up in these jobs. As a practical matter, the new system is most likely to favor the hiring of Americans in high-income areas like Western Europe and Japan because the new class of American employees will be paid

sponsored by Senator John D. Rockefeller 4th, salaries comparable to what they would get for a similar joh in the United States. By contrast, foreign nationals are paid at rates competitive with private-industry salaries in their countries.

That means Americans can be hired much more cheaply in many European countries. Mr. Rockefeller's office cited as an example a recent opening for a visa assistant in the U.S. Consulate General in Frankfurt. For that job, a German would be paid about \$34,000 a year. Under the pay scale established by the State Department for an American hired for that post, the salary would be \$17,686.

The system would work against the hiring of American citizens in poorer, Third World areas like Africa, Latin America and South Asia, where pay scales are low and highly educated foreign nationals are available at salaries much lower than the scale set for Americans.

Still, the fact that Americans now are eligible to be hired marks a successful end to a fight waged by Mr. Rockefeller for more than a year to stop what he regarded as discrimination by their own government against the 3 million U.S.

See JOBS, Page 6

Extraterrestrials? Well, There Might Be Planets They'd Call Home

By John Noble Wilford

New York Times Service NEW YORK - The Hubble Space Telescope has photographed broad disks of gas and dust grains surrounding 15 newly formed stars. Astronomers say this is the strongest evidence yet that planets could exist beyond the solar system and may even be a common occur-

The assumption that planetary systems exist around stars other than the sun, and that they may be prevalent, is fundamental to scientific projections about the possibilities of life elsewhere in the universe.

Astronomers said that examining the pictures from Hubble was like looking back and

Even more important, scientists said the images seemed to confirm widely held theories about the formation of planetary systems.

The pictures provided direct evidence that dust surrounding a newborn star has too much spin to be drawn into the collapsing star. Instead the material spreads out into a flattened disk, usually called a circumstellar disk, and in some cases the grains presumably aggregate into planets.

The discovery, announced by the National Aeronantics and Space Administration, was made by C. Robert O'Dell, an astronomer at

seeing how the solar system probably appeared soon after the sun was formed 4.5 billion years ago.

Rice University in Houston, while studying the orbiting telescope's photography of the Orion Nebula, a turbulent region that is 1,500 lightyears away. In cosmic dimensions that is virtue.

From a preliminary census of this stellar ally next-door.

Disks of dusty material, probably the size of sand grains, were identified around at least 15 of these nascent stars, each less than I million years old. Some disks were bright enough to be seen directly, and others were seen in silhou-ette against the bright nebula. The telescope did not reveal any clumping of material suggesting the beginnings of planet formation. Each protoplanetary disk appears to be thick and somewhat more extensive than the

current size of the solar system. Mr. O'Dell

From a preliminary census of this stellar

maternity ward, about 40 percent of the infant stars have these disks. Since Orion Nebula is thought to be a typical region of star formation, the phenomenon of protoplanetary disks must be fairly common, said Stephen E. Strom, an astronomer at the University of Massachusetts at Amherst who is an expert on planetary

The disks are a missing link in our understanding of how planets like those in our solar system form," Mr. O'Dell said at a briefing at NASA headquarters. "Their discovery estab-

lishes that the basic material of planets exists around a large fraction of stars. It is likely that many of these stars will have planetary sys-

For the last decade, astronomers have been getting clues supporting their ideas about how planets are created through the aggregation of material left over from star formation and stretched ont in disks — gases and particles traveling in accordance with the laws of planetary rotation. Such disks have previously been confirmed to exist around only four stars: Beta Pictoris, Alpha Lyrae, Alpha Piscis Austrini

See OTHERS, Page 6

GATT Accord May Still Be **Months Away** By Roger Cohen New York Times Service

100 PARIS - Vehement exchanges between European and American officials, the most vitriolic since a trans-Atlantic trade war was averted by an accord on Nov. 20, suggested Thursday that a world trade agreement might not be reachable in the next few months. A senior American official, who spoke on condition of anonymity, said remarks Wednesday by Foreign Minister Roland

Dumas of France "put in question whether the European Community can seriously negotiate on behalf of its members." The official, who was attending GATT talks in Geneva, added that "it is increasingly difficult to imagine how we can possibly wrap up a consensus on the text of the Uruguay Round agreement in the near future." The trade talks are known as the Uruguay Round because they began in Punta del Este, a coastal resort city in

munity farm ministers agreed on a complex package of measures on Thursday covering everything from bananas to beef in order to prepare EC agriculture for next year's single market, Renters reported.

[The deal, hammered out after a fourday merathon, including a final all-night session, was hailed as a "major breakthrough" by the British farm minister,

["It ensures the single market can apply

[In Brussels, however, European Com-

in almost every part of the Community next year," said Mr. Gummer, current president of the EC farm council, speaking a news conference after the meeting.] Mr. Dumas described the November agreement between the European Community and the United States on European oilseed production and agricultural ex-

ports as "mill and void." This amounted to the most strongly worded French rejection yet of an accord that had been widely seen as opening the way for a successful conclusion of six-year-old world trade negotiations under the auspices of the General Agreement on Tariffs and Trade.

Many officials say that an agreement in the GATT talks, which would eliminate or reduce barriers to trade in areas ranging

See GATT, Page 17

Yeltsin in China To Revive Links

By Sheryl WuDunn New York Times Service

nism there.

after he and his entourage of 100 Russian

The last leader in Moscow to visit was Mik-

Yeltsin

Appoints

Gaidar as

By Michael Dobbs

Washington Post Service
MOSCOW -- President Boris N.

Yeltsin, anxious to prevent speculation that he is backing off on free-market policies, on Thursday ap-poioted Yegor T. Gaidar, the

former acting prime minister, as an

Mr. Gaidar is widely regarded as

the architect of Russia's free-mar-

ket transition; his appointment ap-

peared to be part of an effort by

Mr. Yeltsin to repair some of the political damage caused by his de-

Mr. Gaidar was forced to step

down as acting prime minister on Monday after a stormy meeting of

the national Congress of People's

Although radicals privately accuse Mr. Yeltsin of failing to resist the conservative onslanght at the Congress, Mr. Gaidar appeared anxious to preserve as much of his program as possible. He has urged

several aides to remain in the new

government headed by the former

energy minister, Viktor S. Chemo-myrdin, despite widespread predic-tions of a general slowing down in economic change.

Mr. Gaidar praised Mr. Cher-normyrdin as "a competent spe-cialist and a good organizer" and

said he would support the oew government as long as it kept a tight rein on inflation, which is now running at 25 percent a month.

"A more conservative govern-ment is not a misfortune," Mr. Gai-

dar told the newspaper Izvestia. "A government pursuing a populist policy would be a disaster, and I

In a presidential decree pub-lished Thursday, Mr. Yeltsin gave Mr. Chernomyrdin until Tuesday

to form a new government. A key member of the Gaidar team, Ana-

toli Chubais, who is responsible for privatization, has already said that

be is ready to stay on as deputy

prime minister. It is geoerally

agreed that his departure would be

a crippling blow to the privatiza-

tion program, which is only now getting under way in earnest.

Mr. Yeltsin also acted to assert

personal control over foreign poli-

cy, naming Yuri Skokov, a close aide, in head a new Interdepart-

mental Foreign Policy Commission

with the task of "coordinating deci-sions in the foreign policy sphere."

The appointment further under-mined the position of the liberal foreign minister, Andrei V. Ko-zyrev, who has come under pres-

cated dissatisfaction with Mr. Ko-

zyrev for making a mock Cold War

speech in Stockholm in an attempt

to show what might happen if con-scrutives got control of Russian foreign policy. He said Mr. Ko-zyrev had failed to coordinate the

speech with him and had been car-

ried away by the political tensions

Mr. Yehsin's office on Thursday

confirmed the dismissal of Gen-

nadi Burbulis, a senior presidential

adviser who was widely blamed for

many poliocal mistakes in the last

of the last few weeks.

sure from the conservatives. Mr. Yeltsin on Wednesday indi-

hope this will not happen."

Deputies.

adviser on economic policy.

Adviser

Bonn Aims At Bigger Target on Far Right

By Marc Fisher Washington Post Service

BERLIN - Chancellor Helmut Kohl's government, having asserted its intent to stamp out violent neo-Nazism, is now focusing on a considerably larger target: Germany's biggest far-right political party, the Republicans.

Unlike the tiny neo-Nazi groups that have been banned, raided and rhetorically blasted in recent days, the Republicans are an established party, with seats in several local legislatures, a prominent leader and a consistent 5 percent showing in public opinion polls.

Nonetheless, Interior Minister Rudolf Seiters ordered Germany's damestic intelligence agency to begin intensive surveillance of the Republicans in determine if the party fits the legal definition of "anti-democratic," which would allow the government to shut it down.

Going after the Republicans is a risky move, analysts bere said. While Mr. Kohl may be able to undermine one of his most pesky nppnnents, a legal campaign against the Republicans could build public sympathy for the extremist movement, especially if the party succeeds in portraying itself as more moderate than it is.

Republican leaders lost an time trying in do just that. The party chairman, Franz Schönhuher, a former officer in Hitler's Waffen SS who became a popular televi-sion talk show host in Munich, called the government's move a desperate measure and an "admission of total helplessness" against the country's growing far right.

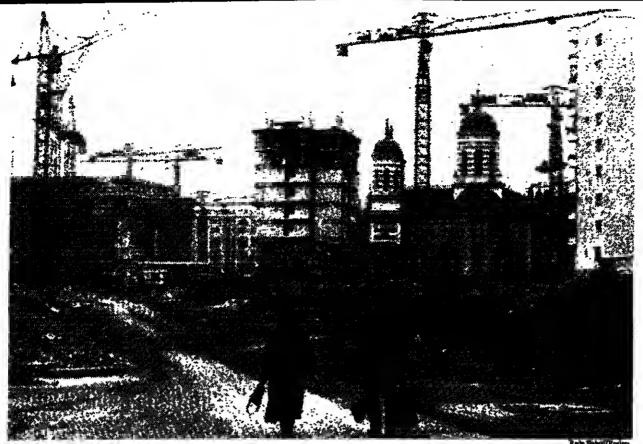
Founded a decade ago, the Re-publicans bill themselves as the party of "law and order" but have reached their heights of popularity at times when Germans were most perturbed by the influx of foreigners. Although party leaders insist they are not anti-foreigner, the party regularly uses slogans such as "The Boat is Full" and "Enough is Enough" to demonstrate its sympa-

Aides to Mr. Kohl say privately that the Republicans' potential support from protest voters has dominated the chancellor's political strategy for more than a year, as the nace-laughable extremist group has won as much as 11 percent in a statewide vote and 16 percent in local elections.

Mr. Kohl's nwn pnils have shown as much as 20 percent of his own Christian Democratic party's voters thinking seriously of casting their lot with the Republicans, if only to send a message to Bonn.

Aides repeatedly explained the chancellor's reluctance to move ist the countr right as an attempt to bold voters on his party's right, rather than alienating them by seeming to reject the widespread view that Germany has been overrun by foreigners in the last two years.

But now that the country's mainstream parties have agreed to restrict the right to political asylum, aides to Mr. Knhl say they believe they have sent the message that the Bonn government is serious about limiting the flow of refugees into



Bucharest shoopers walking home amid an idle housing construction project along the former Victory of Socialism Boulevard.

Mistrust Shadows Romanian Regime

By Henry Kamm New York Times Service

BUCHAREST -- Nearly three years after the overthrow and execution of Nicolae Ceausescu, Romania's leadership continues in suffer from widespread mistrust, at home and abroad, of the sincerity of its efforts to convert the country to democracy and a freemarket economy.

Typifying Western reticence, the United States in October again denied most-favorednation trading status to Romania. The refusal is particularly resented by the government of President Ion Iliescu because "the clause," as it is called here, was granted to the Ceausescu dictatorship and is enjoyed today by most nther former Communist countries, as well as

Mr. Iliescu was re-elected in October with 61 percent of the vote in presidential and parliamentary elections that foreign nbserv-ers said were generally fair. His election in 1990 gave rise to doubts.

Io an interview, Mr. Iliescu, a usually genial man, bristled and his voice took on an edge as he rejected the catalogue of accusations that cloud the reputation of post-Com-

"I see all of this as the result of ideological intoxication, which dominates all of us, here and abroad," be said.

Speaking of the violence of the 1989 revolution and the summary trial and execution of Mr. Ceausescu and his wife, Elena, he said that the dictatorship was the worst in the Communist world and that "an explosion" was the only way to dislodge it.

"Compare the evolution now," he said.
"After the 'velvet revolution,' Czechoslovakia is being dismembered. In Romania, progress was difficult and encountered problems, but I think Romania now is an area of greater calm, balance and stability." Mr. Iliescu angrily rejected suggestions that his government bears responsibility for rioting that took place in 1990, in which miners brought to the capital by government transport attacked opponents to the government

He also reacted with bitterness against sus-picions raised by his past as a top Communist official. "Why isn't Boris Yeltsin judged the same way?" he asked.

A senior Western diplamat agreed with some of Mr. Iliescu's crincisms, but said they were overstated. He said the bitterness of the

'Why isn't Boris Yeltsin judged the same way? President Inn Iliesen of Romania, reacting to suspicions of

his Communist past.

country's political life was the principal reason why Romania's, and Mr. Iliescu's, past remain issues despite what many diplomats here view as progress toward democracy and

"Romania is a pariah largely because of the hostility of the opposition," be said. "It paints the situation in solid black and Iliescu as an unredeemed Communist."

The harshness dividing election winners and losers was evident in interviews with

opposition leaders. "fliescu is a crypto-Communist who in-spires no confidence," said Cornelin Coposu, a royalist who led the Democratic Conven-tion electoral alliance and heads the National Peasants Christian Democratic Party. "He has a oostalgia for the Communist structures and a Marxist-Leninist orientation. He has

no credibility."

In a parliament in which no party or forthe University of Sibiu.

Bulletin on Mitterrand's Cancer Is Mixed Report

mal coalition has a majority, small parties led by close Ceansescu associates share signifi-cantly in the balance of power.

The new cabinet of Prime Minister Nicolae Vacarciu, an economist who is considered a technocrat without close political ties, was approved with the support of the two radical

Mr. Vacaroiu is charged with carrying out Mr. Iliescu's policy of slow change, which seeks to minimize the effects on the long-suffering public of closing nonproductive state factories and withdrawing subsidies from sential goods. from essential goods.

"The continuity of Romania's reform can he achieved only at a bearable social cost," the prime minister said in an interview. He stressed the word "bearable."

The opposition asserts that this slow approach is a facade behind which Mr. Iliescu and his followers hide their unwillingness to change the still largely state-controlled eco-

While the political leaders and the many parties vituperate in parliament and through many new newspapers that contain far more opinion than fact, the 23 million Romanians seek with varying success to survive.

Private stores have sprung up offering a much wider choice of goods than was avail-able under the Communists, but most Romanians still buy necessities in state stores with subsidized prices. Food lines, a regular feature of Romanian life for many years, are

shorter but still exist. Ordinary Romanians say with conviction that the small oew class of entrepreneurs who succeed under the new freedom are either members of the former secret police or Gyp-sies, who are widely disliked.

"It is easier to free people than to free their minds," said Dumitru Ciocoi-Pop, rector of

WORLD BRIEFS Fischer Blames Jews for Indictment

BELGRADE (AFP) - The farmer world chess champion Bobby Fischer blamed Jews on Thursday for being behind the U.S. indictment filed against him for playing a tournament in the rump state of Yugosla. via in violation of a United Nacons embargo.

"It's the Jewish community, and especially The New York Times which is cootrolled by rich Jews, who are behind the accusations," he said at a press conference in Belgrade, where he has lived since winning the match against Boris Spassky of Russia in November. Mr. Fisher was paid \$3.35 million for the match.

"I have not yet received anything in writing and I would like to hear directly from the American government what I am accused of," he said, U.S. officials indicted him on Tuesday, saying his participation in the match had violated the International Emergency Economic Powers Act, which imposed restrictions on trade and other dealings with Yugoslavia in response to Serbian aggression in Croatia and Bosnia-Herzegovina. A warrant has been issued for Mr. Fisher's arrest, He faces up to 10 years in prison and a fine of \$250,000.

Arrests Approach 5,000 in India

NEW DELHI (UPI) — Nearly 5,000 religious extremists, mainly Hindus, have been imprisoned under sweeping preventive-detention laws in a weeklong government crackdown triggered by the destruction of a disputed mosque in northern India, the authorities said Thursday. rision to switch prime ministers

About 1,000 arrests were reported Thursday alone. Most of those imprisoned were identified as members of three radical Hindu groups that were outlawed Dec. 10 for their role in staging a mass rally that turned violent, resulting in the razing of the 16th-century mosque. The act brought about the deaths of more than 1,200 in nationwide sectarian

The lower house of Parliament, meanwhile, began discussing a no-confidence motion against Prime Minister P. Y. Narasimha Rao's gov-ernment brought by the largest opposition party, the Hindu nationalist Bharatiya Janata Party, which is closely linked with the three outlawed Hindu organizations. Mr. Rao's government is expected to survive the

Fabius Seeks Trial in HIV-Blood Case PARIS (Reuters) - The leader of France's governing Socialist Party, Laurent Fabius, asked on Thursday to stand trial before a parliamentar High Court in a scandal over AIDS-tainted blood transfusions.

Mr. Fabius, 46, was prime minister in 1985 when more than 1,200 hemophiliacs were infected by blood transfusions contaminated with the virus that causes AIDS. He had been widely criticized for trying to avoid a trial. At a news conference Thursday, Mr. Fabius said he would ask parliament to indict him so he could clear his name. He asked for a special

session of the National Assembly on Sunday to vote on an indictment. Also on Thursday, Socialist depuces in the National Assembly abstained in a postmidnight vote on a motion to indict a former social affairs minister, Georgina Dufoix, and a former health minister, Edmond Hervé, for their roles in the affair. Without Socialist support, the motion

Australia Drops Allegiance to Queen

CANBERRA (AFP) - Australia is dropping its oath of allegiance to Queen Elizabeth II for new citizens, Prime Minister Paul Keating said Thursday, He announced a cabinet decision to amend the Citizenship Act and the oath of allegiance "to better reflect contemporary Australia and its national aspirations."

He said that those seeking citizenship would henceforth pledge their loyalty to Anstralia and its people whose democratic beliefs I share, whose rights and liberties I respect, and whose laws I will uphold and

The existing oath, long a source of controversy, required a pledge to be "faithful and bear true allegiance to Her Majesty Elizabeth the Second, Queen of Australia, her heirs and successors according to the law" and to "faithfully observe the laws of Australia and fulful my duties as an

For the Record

Fire fighters in Naples recovered five more bodies from the rubble of an apartment building that collapsed in an explosion in the outskirts of the city, bringing the death toll to 14. The authorities said a tank of gas used for cooking might have been responsible for the blast.

(AP)

Emperor Akihito and Empress Michiko of Japan will visil Germany. Italy and Belgium in the first half of June, the Yomiuri Shimbun

A six-nation tour by the Chinese foreign minister, Qian Qichen, will from Jan. 5-18, his ministry announced in Beijing.

TRAVEL UPDATE

Alaska Airlines has announced that it would begin service to the Western Russian port city of Vladivostok in June.

Protests by rail workers and farmers plunged Belgium into transport chaos Thursday. A strike that paralyzed the national rail network was to end at 2100 GMT, and farmers' demonstrations that snarled road traffic in some regions were expected to last through the day.

ing but is not responding fully to treatment either, a leading physition of Urologists. prostate-specific antigen in Mr. Mitterrand's blood, a measure of cian said Thursday. prominent urologist, enotended The bulletin was issued by Mr. that it was "still too soon" to draw Mitterrand's personal physician conclusions about the president's

PARIS - The first bealth bulletin issued since President François Minerrand's prostate surgery indicates that his cancer is not spread-

three months after the announce-

gone surgery for prostate cancer. The bulletin on Thursday said Mr. Mitterrand's health was ntherwise good. It said extensive testing responsiveness in treatment, was "still higher than normal."

"This is not a good prognosis and shows that Mr. Mitterrand is responding insufficiently to treatment," said Dr. Richard Fourcade, an official of the French Associa- foreign travel.

Dr. Marc Maidenberg, another

By Serge Schmemann New York Times Service

reported to have cleared Alger Hiss of spying for the Soviet Union says that he was "not properly understood," and that he only meant

to say he found no evidence of the charges in

the KGB documents to which he had access.

The official, General Dmitri A. Yolkogonov, a military historian, said that at Mr. Hiss's

request he had searched the KGB files for the 1930s and '40s, and found only one mention of Mr. Hiss, in a list of diplomats at the United

"I was not properly understood," he said in a

recent interview. The Ministry of Defense also

has an intelligence service, which is totally different, and many documents have been de-

stroyed. I only looked through what the KGB had. All I said was that I saw no evidence."

On Oct. 14, answering a query from Mr. Hiss,

General Yolkogonov wrote: "Mr. A. Hiss had never and nowhere been recruited as an agent of the intelligence services of the U.S.S.R. Not a

single document, and a great amount of materi-

By Marlise Simons

MOSCOW - The Russian official who was

His second seven-year term expires in 1995. He has proposed constitutional changes to shorten the presidential term, but has been vague about whether he might step down carry.

Russian Aide Qualifies Clearance of Hiss

ers as an exoneration.

Mr. Hiss was convicted of perjury in 1950 after a celebrated case in which Whittaker Chambers, a firmer Communist, charged that Mr. Hiss had spied for the Soviet Union as a State Department official in the 1930s. Now 88, Mr. Hiss has consistently denied this and charged that he was the victim of an anti-

That was taken by Mr. Hiss and his support

Communist witchhunt.
General Volkogonov's acknowledgment that he was in no position to fully clear Mr. Hiss, and that perhaps no one ever can, confirmed the cautions of many U.S. historians who warned that a categorical vindication was dubi-ous, given the volume, complexity and incom-

leteness of Soviet archives.

Even if he had scoured the voluminous archives of the KGB, the Defense Ministry and the Communist Party, the general said, there were also untold files that were destroyed in the upheavals after Stalin's death. General Volkogonov said he was "a bit taken

aback" by the commotion his letter caused. He

als have been studied, substantiates the allega- acknowledged that his motive in writing the

"Hiss wrote that he was 88 and would like to die peacefully, that he wanted to prove that he was never a paid, contracted spy," General Volkogonov said. "What I saw gives no basis to claim a full clarification. There's no guarantee that it was not destroyed, that it was not in

■ Hiss Urges Further Search Marvine Howe of The New York Times report-

ed from New York: Responding to General Volkogonov's most recent remarks, Mr. Hiss declared, "If he and his associates haven't examined all the files, I hope they will examine the others, and they will show the same thing."

John Lowenthal, Mr. Hiss's lawyer, who met

with General Volkogonov several times, indicated surprise at the general's remarks. Mr. Lowenthal said that the general told him in Washington last month that he had also examined archives of the Military Intelligence and "there, too, no traces of Alger Hiss have been

Wörner Renamed Chief of NATO For 4 More Years

BRUSSELS - Secretary-Generai Manfred Worner was reappointed as head of the North Atlantic Treaty Organization on Thursday until mid-1996 by foreign ministers from the 16 alliance nations, officials said

Mr. Wörner, a former West Ger-man defense minister, took the post in mid-1988. He was to step down next year, but the foreign ministers decided be was needed at a time when the the Western alliance was suming new tasks after the Cold

The Norwegian defense minister, Johan Joergen Holst, had said earlier this year that he was interested in the job, but withdrew his potential candidacy when Mr. Worner indicated his willingness to stay on.

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18-12-92

Czech Hospitals Need Renewed Patience in New Marketplace

New York Times Service the marketolace? PRACUE - Rain was dripping on the cobblestones, and within the old walls of ward B3 the men were jection and every treatment," said safely tucked in bed, eating sau-Dr. Vladislav Krtek, director of insage, potatoes and lentils. But that ternal medicine here, who has to is where normality stopped in Thoprepare his department's first-ever mayr Hospital.

Zdenka Zakova, a ourse for "This is all we talk about," he more that 20 years, was studying said. "We will have to function as boxes of new foreign medicines an independent ecocomic unit. with her colleagues. Down the hall, There is a lot of confusion." On Jan. I, when Czechoslovakia doctors met yet again to discuss the bewildering question before them: will split into two separate coun-

How can they reconcile the care of tries, the two nations will start to dehumanized medicine, turning pathe sick with the heartless rules of charge for medical care. Under communism, all health

"We have to know the cost of services were free, and medicines bandages, of syringes, of every in- cost a token sum - one crown, the price of a phone call. Employers and employees will now have to pay contributions to a new national health-care plan, while other, private insurance plans are optional. The government will provide for the unemployed.

> The sense that another basic safety net is slipping away adds to the growing sense of insecurity

The coming change has drawn Western pharmaceutical salesmen. insurance plans and medical equipment. Doctors and administrators who criticize Soviet-style shortages and outdated hospitals draw a dark conclusion: Communism and its repressive bureaucracy dehumanized much of society but, they contend, in the West money and ad- down the number of abortions and lechoningy has make them an exception rather

tients into high-tech targets and doctors into engineers.

"Amid a lot of equipment, man as a whole is often lost," said Dr. Zdenek Benes, an internist at Tho-mayr Hospital. "We understand it is already happening in the West. Now we face that danger." The architects of the new health

plan have drawn up rules that seem harsh to this society. National health insurance will apply to care defined as essential, but not to "nonessential" things like false teeth or cosmetic surgery, for which the patient must pay most or all of the bill.

been listed as a nonessential and will have to be paid for privately. It will cost the equivalent of a month's salary of a teacher or a

The government wants to bring

denova, an official at the Ministry of Health. The idea, she said, is to to discourage women from using abortion as a routine birth-control method, something that was common in all communist nations. Despite the country's economic

than a rule," said Dr. Romana Lo-

troubles, the government says spending on medical care will increase because of the nation's health crisis. In 1991, Czechoslovakia speni 5.9 percent of its national income on medical care, compared with 12.3 percent in the United States and 9.2 percent in Canada. For the Czech and Slovak republies, the share is expected to rise to Abortion, which was free, has 7.7 percent, close to a European

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Wars of Conscience

despite its victory in the Cnld War against communism, America must he prepared to wage lesser wars to secure global stability. Don't ahandon countries like Somalia when disaster strikes, the president pleaded, and be prepared to intervene when the stakes "warrant" and where limited force

can be effective. On the need to respond, Mr. Bush speaks for his country. Two of three Americans think Washington has a responsibility to provide military assistance in frouhled regions. Moreover, according to a new New York Times/CBS News Poll, most people accept that Americans will have to remain in Somalia from three to

six months or longer. These findings speak well for American hearts, and heads. Yet what about other potential erises, where the humanitarian needs may be equally compelling hut the military risks far greater?

Mr. Bush's criteria need sharpening. He has never really explained how Somalia differs, for example, from Bosnia, where Serhian aggressors unleash armed gangs to prey on unarmed civilians.

Put simply, when and why do you call out the cavalry? Obviously, to defend frontiers or to assure domestic tranquillity. Obviously, also, to protect U.S. territo-ry and people. Vital national interests ahroad may also require a military response - real threats to sources of energy or other economic assets, or to the survival of a strategie ally threatened by attack.

Other cases are discretionary: threats to geographically or otherwise important countries whose security becomes a test of strate-gic resolve. Bosnia is a clear example, since its extinction as a sovereign state would resonate from the Balkans to the Baltic, or wherever ethnic strife rends new nations.

The trickiest questions involve countries where there is no vital U.S. interest. That

George Bush, in a valedictory mood, includes much of South and Central Asia, told a Texas audience nn Tuesday that and most of Africa. Here Mr. Bush's vague tests are of little help. Do the stakes "warrant" armed intervention in, for example, Sudan and Liberia?

In all these cases there is a humanitarian duty if intervention is feasible and can save lives. But for the United States to follow repeatedly the Somalia precedent would tax its resources, undermine domestic support and smack of imperial vainglory. And it is simply untrue that America alone, as Mr. Bush suggested, has the capacity to act.

Even so, his preoccupation with America's duty places for too great a hurden nn Americans - and far too little on multilateral agencies like the United Nations. When the hurden is humanitarian, the United Nations is the better approximation of humanity. In that case, shouldn't Washington as a normal matter meet its humanitarian duties through, rather than for, the United Nations?

Washington's leadership may be indispensahle, and Americans might well com-mand and provide the largest contribution to a humanitarian operation. But to assure the hroadest participation, the commander ought to be under the direct authority of the Security Council - where the U.S. veto offers the best means of safeguarding the interests of U.S. troops. If those are the markers, here are the

principles: U.S. forces should be deployed only as a last resort, and in support of a clearly articulated political objective. If the U.S. interest is "humanitarian," then by definition Americans should act in concert with others. And in all cases the U.S. Constitution requires the assent of Congress, while the fullest public debate is simple prudence.

Sometimes Mr. Bush has been long on zeal, short on careful, disciplined justifications for the use of American forces. May

President-elect Bill Clinton do better. -THE NEW YORK TIMES.

Math Time for Clinton

Bill Clinton says he has not decided yet whether to propose further stimulus of the economy in the sense of pumping up the short-term deficit. Our own sense is that the less of that the better. The one great lesson of recent years seems to us to be that the deficit does not need the help; it will expand on its own, thank you. But whatever he decides as to fiscal stimulus, there remain all kinds of other things that President-elect Clinton wants to do, from providing an in-vestment tax credit and perhaps some other such incentives, to increasing spending on public works and education and training to increasing access to health care.

All these cost money. The requirement is not merely that he finance them over time but also that he go beyond, to drive down the mountain deficit that is a drag on the economy and the ability to govern. The question, particularly in light of his concern not to add to the burden of the middle class, is where in the tax code or on the spending side of the budget he will find the means to do this.

Mr. Clinton said again several times this reduced without controlling health care costs. That is so. But, as he also knows, a credible deficit reduction plan requires more than a promise of eventual health care cost control, the more so precisely because those costs have proved so resistant to control in the past and because the universal insurance that Mr. Clinton has also promised will add to costs. Partly to pay those costs, his own advisers, among many influential others, are now contemplating what would amount to a health care tax increase in the form of a limit on the employer-paid

health insurance premiums that now escape taxation. For a while, at least, our guess is that the government will be lucky if health care reform turns out to be . wash.

Where else then to look for savings? There are fewer to be found on the spending side of the budget than the rhetoric of either party would indicate; that is the other great lesson of the past 12 years. Defense cuts beyond those already contemplated and built into the deficit projections will be smaller and slower in coming than some Democrats are wont to suggest, if only because defense cuts have costs, too, in the form of loss of jobs. The Republicans like-wise have perpetual trouble identifying all the cuts that they claim should be easy to make in domestic spending. Spending cuts can help, but serious deficit reduction is going to require tax increases.

The right way to cut the net cost of Social Security is to subject a larger share of benefits to the income tax; Mr. Clinton has already indicated that he might favor that example. This week he also seemed to open the door a crack to an increase in the gasoline tax, which advocates rightly say could have the healthy effect of reducing both the deficit and energy consumption, but which he had criticized in the campaign as unfair. What be said the other day was that "the present tax system is already unfair to the middle ... so there'd have to be some sort of offset ... for me to entertain that seriously from my policy folks." That is a better position. The president-elect will be stranding his own agenda if he fails to replenish the Treasury.

- THE WASHINGTON POST.

Other Comment

Somalia: What Hope Can Do

Let us immediately state that Operation Restore Hope deserves to be viewed in a positive way. It is probably the first time since the end of World War II that one could approve of a military "invasion." Bureaucrats remind us that even the

United Nations cannot intervene without a firm request from an exiled government or a plea from a threatened nation. Should we then have asked the opinion of the millions of refugees, or the two million dying people who stare at us each evening on television? There is no ulterior motive, neither politi-

cal nor economic. Somalia no longer has a strategic appeal.

The West has a moral debt to pay to Somalia. It does not matter that George Bush and Bill Clinton are sending troops in order to gain international prestige. If they are able to save thousands of lives, their humanitarian "vanity" and ambition to pass into history are welcome. Who knows. the Americans may even rediscover their soul — one that is not that of a world policeman or a military superpower.

- L'Unita (Rome).

The important thing now is that the inter-vention produces lasting results. President George Bush counts on withdrawing troops by Jan. 20. ft is a tight schedule. The people who, in droves, are dying of starvation will not be saved just because UN convoys put food within their reach. People at that degree of undernutrition need special medical care prior to receiving food rations. That requires time, medical structure and supplies that - Gulf News (Dubai, United Arab Emirates).

only the military can furnish. The premature withdrawal of the intervention forces — replaced by a multinational peace force, under a blue flag - could encourage the Somalian warlords to pillage international aid again. - O Estado de São Paulo (Brazil).

It is enough for us that American troops and supplies have been streaming into Soma-lia to bring food to the starving. Creating order out of chaos may not be in their power. and definitely should not be their mission But UN Secretary-General Butros Butros Ghali has asked the United States to broaden its role beyond the humanitarian to become a cop on the beat - disamning warlords, suppressing the drug trade and organizing a police force. Asked at a Pentagon briefing about Mr. Butros Ghali's request, Lieutenant General Martin Brandtner said, "The secretary-general's view . . . is his view. Our mission has not changed."

Nor should it. - Daily News (Los Angeles).

Still Time to Act on Bosnia

There is still time and reason for President George Bush to initiate a strong and effective policy in Bosnia, where the Muslims have been asking in vain for arms to defend themselves against Serhian atrocities and aggression. Considering that President-elect Bill Clinton has expressed his support for more decisive U.S. action on Bosnia, Mr. Bush has no reason to continue with his policy of "cautions inaction," especially after commit-

ting a large force to Somalia.

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OPINION



Democracy Could Arrive in Serbia This Sunday

Los ANGELES — You cannot truly appreci-tate democracy unless you have experienced the opposite. I just did, by helping my friend Milan Panic, the California businessman who became prime minister of Yugoslavia last July, in his campaign against hatchet man Slobodan Mi-losevic for president of Serbia.

What is at stake in Serbia's election on Sunday makes the recent American election seem trivial.

Americans only had to choose between "trickle down" and "invest and grow." Serbs will choose between war and peace, fear and hope. Their future depends on the outcome of this vote.

In a free and fair election there would be no doubt. Peace and Mr. Panic would win. But with hard-line Communists still controlling the election apparatus and the media, this is a free and fair election in name only.

The first challenge was getting Mr. Panic on the ballot. No sconer had he declared his candidacy than the Milosevic appointed Electoral Commission declared him untit to be president of Serbia, since he had not been in residence for the entire 12 months preceding the election.

As Mr. Panic pointed out, saying that the prime minister of Yugoslavia is unfit to be president of Serbia is like saying that the president of Serbia is like saying that the president of the United States is unfit to be governor of Arkansas. Besides, Mr. Panic was born in Belgrade, lived there for 25 years, owns one of the major factories in Serbia and has maintained an exercise to Belgrade in Serbia and has maintained an apartment in Belgrade since September 1991. But only a long series of court appeals — plus the threat of student demonstrations and an By Bill Press

election boycott by all opposition parties — forced Mr. Milosevie to back down. Mr. Panic was finally certified for the ballot with only

eight days left to campaign.

Next challenge: Getting him on the air. The only national television channel in Serbia is state-owned, state-controlled and state-censored. Its nightly television newscast puffs up Mr. Milosevic and pummels Mr. Panic, and its advertising policy gives Mr. Panic no opportunity to strike back. In political commercials, candidates are not permitted to attack or criticize their opponent — or even to mention their opponent by name. And one man, Mr. Milosevic's appointee,

must approve all spots.

This is not my idea of a level playing field. Our initial script, which began innocently enough ("Two years ago, Slobodan Milosevic promised us things were going to get better"), was rejected. So was a softer "I wo years ago, we were promised . . . " In the end, we settled on the innocu-

ous "Two years ago, we voted for ..."

Next problem: video. If we could not mention Mr. Milosevic's name, could we at least show videotspe of him making a speech to remind voters whom Mr. Panic was running against? How foolish of me to ask!

It was at this point that we figured out how to outwit the ceasor. We submitted our first commercial, complete with revised text, showing blown-up, slow-motion video of Mr. Milosevic's

easily recognizable mouth. When the censor re-acted in horror at this desecration ("You cannot show the president's mouth without the president's permission!"), we immediately handed him a second version, with a substitute mouth, a woman's mouth. This confounded even their lack of logic, and the spot — mouth changed, message intact — was finally approved.

Next challenge: getting people to watch. Again, easier said than done.

Either through malice or through mercy, Ser hian censors group all political commercials into six daily five-minute blocks of spots. As if that were not bad enough, they virtually eliminate any chance of an audience by announcing shead of time when the political commercial clusters will be shown. Imagine: "At 8:55 P.M. we will present five minutes of back-to-back political ads." At 8:55 P.M., 2 million toilets in

Still, I left Serbia feeling upbeat. We had beaten the odds, getting Milan Panic on the ballot. We had beaten the censor, getting our television spot on the air.

But as the bus was pulling out of Belgrade for the seven-hour drive to Budapest and my long flight back home, it occurred to me that democracy had not conquered communism yet. There was one more obstacle left. On Sunday, I wondered, who will count the votes?

The writer is a television commentator and talk show host in Los Angeles. He contributed this commen to the Los Angeles Times.

a wake-up call.

their country back.

first act was an act of desperation.

But that's just it: Mr. Yeltsin and the democratic reformers are realisti-

cally desperate. The world does need

The reactionaries in Moscow are

determined to stop the march to pri-

vate property and a free market. Un-

der the guise of centrism, in the sweet

song of go-slow pragmatism, the old apparatchiks are trying to snatch

One by one, the reformers are be-

ing tossed from the sled by the em-battled Yeltsin, but the wolves of Civic Union are not satisfied. (A

bloody Siberian metaphor is suitable here, although it is not intended as a

The replacement prime minister, a

reaucrat-industrialist whose name

is too close to Chernobyl, is already

deriding "a nation of shopkeepers," a phrase used by a foolish Napoleon to

erogate England's free economy.

Shopkeepers and private farmers are what Russia urgently needs,

not heavy-industry commanders

dent Yeltsin's compromises are

Viktor Chernomyrdin. Presi-

slur on an endangered species.)

Russian Reform: Thanks, Kozyrev, for That Slap

By William Safire

WASHINGTON - In his 1938 radio broadcast of "War of the Worlds," Orson Welles never sought to spread global panic. But the pre-WORLD WAS SIGHT treated the real-sounding broadcast

as frightening news. In the first part of his 1992 speech to the Conference on Security and Cooperation in Europe, Russian Foreign Minister Andrei Kozyrey's clear intent was to wake up his country-men and the world to the threat now rope." The ironic portion of his speech saw Western groups ominous—

After an hour to let that grim ly "strengthening their military non in the Baltic states."

Cooperation turning to mischiefmaking in defusing the violence in the Balkans? "The present govern-ment of Scrbia can count on the sup-port of great Russia," said the "next" foreign minister of Russia. War with independent Ukraine?

Yeltsin and the democratic reformers are realistically desperate. And the world does need a wake-up call.

before us. But his dramatic warning in Stockholm is being shrugged off as a bad joke, a sophomoric hoax. What Mr. Kozyrev did was to play the role of the next Russian foreign

minister — the one who might repre-sent a government that has brushed aside Boris Yeltsin and the democratic reformers. Without copping out with "Here comes a fictional scenar-io," the 41-year-old diplomat shook up the closed-door assemblage with a peek at Cold War II.

A new Iron Curtain? "Our tradi-tions are ... in Asia and this sets limits to our rapprochement with Eu-

N EW YORK — In the bad old Soviet days, a frequent answer to the question "What's going on?" was "Nobody knows." Still, somebody usually knew. But now, in Russia, nobody really does know. Least of all experts in the West.

Some obscure older-style bureaucrat named Viktor Chemomyrdin re-

rat named Viktor Chemomyrdin re-places Yegor Guidar, the West's re-formist darling, as prime minister. One day Boris Yeltsin looks like a

master democratic strategist; the next

day be doesn't seem to have a chie.

The Russian foreign minister gives a frightening hard-line speech at an important international conference, then

Concentrate on what can

an hour later says it was all a joke. The

Russian economy shows promise in

places, but mostly it has fallen into a

Given these oceanic troubles, the

West can have little impact on when

and whether the Russian economy

rights itself. Nor can it begin to con-

trol whether the Moscow government

becomes democratic or reverts to a

It can have considerable influence,

however, on the military capabilities

and disposition of any government that emerges in Moscow in the com-

Russian leaders will need 20 years

leaders and international bankers stopped offering them so much terril-

nasty dictatorship.

deep depression, ripe for repression.

realistically be done.

"We will firmly insist that former Soviet republics immediately join a new federation or confederation." That sat 'em up, all right. For the first time, today's diplomats —

drawn up in vast, cumbrous array were forced to stop taking incipient Russian democracy for granted. Could he be serious?

If so, the dreams of a peaceful world order would be shattered. Defense budgets would have to be in-creased; military aid would be needed for new nations being cocreed. All the optimistic assumptions now be-ing made in each nation's economic

By Leslie H. Gelb

ic advice on how to transform their

society into a free-market paradise in

In fact, Western leaders would do

much better in advancing their own considerable interests in the ex-Sovi-

et Union and belping the Russians along if they observed an ancient and

honorable rule: When you don't actu-ally know what's happening and don't have much influence anyway, concen-

trate on the small matters - on what

can realistically be done in specific

cases. It's the only way to have impact

eventually on the big picture.
Up to now, the West has focused on trying to steer the overall course of

the Russian economy - a task well

beyond the Russians themselves, In-

stead the West should be directing its

energies and hard cash into seeding

Russian society with the know-how

to run a freer political system and free markets. More urgently, the

West should be helping itself by help-ing Russia to diminish its arms indus-

tries and increase production of bad-

ly needed consumer goods.
Russia has upward of 30,000 nucle-

ar weapons. It could easily dismantle

6,000 annually, but its yearly rate now is only 1,500. That pace is dan-

gerously slow. Outlaw states could

offer a very high price for some of those nukes at the very moment when

Russians, fighting for economic survival, might find the cash irresistible.

Russia's economy affoat - and reach

the West's goal of deputing the Russians — is with money. The Nuon-

Lugar law provides \$400 million to

Moscow for dismantling nukes. That

The most realistic way to keep

three easy lessons.

prospect sink in (during which wire service editors wisely withheld the story to authenticate it), Mr. Kozyrev came back to the rostrum, explained that "this was just a tech nique simed to show the threat of a turn of events," and proceeded to make the forward-looking speech of

Of course, the real speech was the opposite of the fictional nightmare. He urged the CSCE to "light for equal rights for ethnic minorities' without the use of force; to impos international sanctions on Serbia if it did not stop its war; to help the Baltic states and Russia build accommodstions for Russian soldiers to be pulled out of the free countries

still occupied. It was a historic performance. What the young man did was to slap the world's diplomats in the face and say: Wake up! Stop being so damna-

dare he shake us up that way; Andrei Kozyrev's attention-grabhing

is not enough, and it is not being

spent fast enough.

The West should chip in to buy the

that would speed up the process. Western cash is also the principal

means at the West's disposal for help-

ing convert Russia's vast militaryindustrial complex to consumer-ori-ented industries.

Right now, arms are among the few

commodities that Russians both produce well and can sell abroad for hard currency. The arms complex also claims a high proportion of the best Russian scientific, technical and

The trick for the West is to estab-

lish a Defense Enterprise Conver-sion Fund, along the lines suggested

by Graham Allison of Harvard. His

idea is for the West to provide gov-

erument guarantees and credits for

private American investors to join

Russians in setting up factories to

needed to repair or close down nuclear power plants in the ex-Soviet re-

publics and Eastern Europe. Most of

the more than 50 such plants pose health and environmental risks above

those of the Chernobyi catastrophe.

Making these plants safe could ab-sorb thousands of Russian nuclear

scientists who are now earning about

\$6 per month and might be tempted

The challenge for the West is to

mesh its own concerns for survival

and well-being with those of Russia.

This can be done if the West focuses

its dollars and good sense less on the

unknowable and unreachable whole and more on the manageable parts.

The New York Times, .

to sell their services elsewhere.

Western dollars are also urgently

managerial talent.

produce civilian goods.

bly complacent. To avert a return to a divided world, help us now. His plea was met with a wave of grumpiness by the diplomats and o fit of petulance by the press. How

steps backward aimed at buying time to go to the people in a referen-dum to rewrite the constitution. thereby removing the dead hand of central control. The West Should Be Thinking Small

No stunting going on in Little Rock is more important to the job future of Americans than the reformers' success in Moscow. To Andrei Kozyrev's wake-up slap, the West's diplomats should reply: Thanks, we needed that. The New York Times.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full oddress. Let-ters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

Hong Kong: **Quiet Cause** For Hope

By Clare Hollingworth

HONG KONG — Bill Clinton's expressed hope that the United States can play a constructive role in easing Chinese-British friction over Hong Kong has brought much-needed optimism to the colony. Relations with the mainland have been increasingly strained since Oct. 7, when the colony's governor, Chris Patten, announced plans for greater democracy ahead of Hong Kong's return to China in 1997. The Chinese of Beijing and the north have been saying in effect, "We don't need Hong Kong.

Hong Kong needs us."
The Chinese news media have given enormous publicity to modernization projects under way in Shanghai, which aim to restore its role in trade which aim to restore its role in trade and tourism as the primary link be-tween China and the outside world. A recent meeting of the Chinese-British Joint Liaison Group in Hong Kong was termed unproductive. But reports that "megaphone diplomacy" would be replaced by semi-secret ne-portistions among Chinese Beitch gotiations among Chinese, British and Hong Kong representatives cheered many officials. No agree-ment was reached, but no one walked out, as one official said.

The governor intends to move up the vital meeting of the Legislative Council, Hong Kong's parliament,

There are signs that 'megaphone diplomacy' over the colony will give way to quiet talks.

from February to late January — after the Chinese New Year. The council will hold votes on Mr. Patten's plans for greater democracy. Both sides are canvasing intensely, and it is unclear how the vote will go.

Many businessmen are worried by Beijing's tough line. Whether Mr. Parten comes out on top or not, the Legislative Council meeting will provide an opportunity to modify his proposals to please or appears Beijing.

Confrontation between Hong Kong and Beijing has caused deamage.

Kong and Beijing has caused dramatic stock-market fluctuations but no panic. Relations at the border remain friendly. But students, workers and financiers feel the threatening power of Big Cousin across the border.

In what are now dubbed the bad old In what are now dubbed the bad old days of Chairman Mao, there was always the fear that China, if angered, might cut Hong Kong's water supply. This threat is no longer credible. Neighboring Guangdong Province refuses to risk losing the foreign currency Hong Kong pays for the water, and Beijing's power over provincial governors has lessened. The Sheathen Soècial Economic Zone impresentations of the sheather soècial Economic Zone impresentations. zhen Special Economic Zone immediately north of the colony, indeed all of Guangdong, owes its spectacular prosperity to Hong Kong.

It depends on Hong Kong for much, including expertise and a mod-ern deep-water harbor. Life in Guang-dong today, with its high-rise buildings and traffic jams, mirrors that of Hong Kong. No Chinese official there will rock the Hong Kong boat. But the unvielding confrontation in the Beijing-London-Hong Kong triangle has grown increasingly dangerous. Many politicians fear the confrontation will

continue for months, even years.

Little noticed, however, is the fact that the British commander in chief in Hong Kong — Governor Chris Patten — canceled military maneuvers early in October. The exercise, Winged Dragon," involved few troops; it was designed to familiarize headquarters staff with crisis and communications problems under fire. But Beijing was upset to learn that it concerned the border with China.

More recently the Chinese were reported to be planning a far larger mancuver, "90 Eagle," with the mis-sion of "taking over" Hong Kong within aix hours if sexious disturbances broke out. This, too, was canceled. Mr. Clinton's expressed concern

about Hong Kong has influenced other Pacific Rim countries: Japan, Australia and New Zealand, togeth-er with the six ASEAN nations, have unofficially pointed out to China the enormous value of Hong Kong to this vast region.

They have learned, too, that Shanghai's new port and other facili-nes will not be functioning until 2001 four years after the handover to China. Few doubt that Beijing, if faced with a decision between basic policy and profits, would come down on the side of policy.

But if there are many difficult problems ahead, there is also light at

the end of the long, dark named. International Herald Tribune

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Fears of Cholera LONDON - In view of the prospect

of a renewal of cholera next spring and summer, the Local Government Board have decided on an increase in the staff of their medical inspectors. A cholera survey will forthwith be instituted, much on the lines of the survey that was carried out during the European epidemic of 1884-86. A conference of port medical officers of health was held yesterday [Dec. 17]. Resolutions were passed in favor of night and day inspection of vessels suspected of being cholera infected.

1917: Allied Confidence

WITH THE FRENCH ARMY IN ITALY — It is confidently expected that a week will reveal the ultimate plans of the Austro-Germans on the Italian Front, but there is no longer certainty that they intend to break through the northern plains, and there is growing confidence in the strength of the Allied forces. The

strengthening of the French positions since the "poilns" took up their front has been noted by the greatly reduced casualties. The enemy's attacks have not lessened in violence, but these "crack" troops have altered and deepened their trenches, making nselves more secure.

1942: Henderson Quits WASHINGTON — [From our New

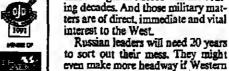
York edition:] President Roosevelt accepted tonight [Dec. 17] the resignation of Leon Henderson as the nation's Price and Rationing Administrator. Senator Prentiss Brown, who piloted much of the Roosevelt wartime economic legislation through the Senate, will succeed him. Mr. Henderson told the President that his departure was dictated "by a recurring physical difficulty and a rather had impairment of my eye-right."

Mr. Roosevelt congratulated Mr. Henderson for his "unexampled" courage in performing "an exceedingly difficult and thankless task."

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OPINION

If Milosevic Stays, the West Will Have to Apply Force

D ARIS - An enormous demonstration in Belgrade on Thursday in favor of Milan Panic, the main challenger to Slobodan Milosevic for leadership of Serbia in Sunday's election, offers the first glimmer of hope for pacifying ex-Yugoslavia. Mr. Panic, who emigrated to California, made a fortune and returned to his homeland in crisis, does seek

an end to the violence. Firsthand reports from Belgrade said Mr. Milosevic was sagging in the polls and probably would not win a majority, although nobody knew if be and his henchmen would respect the results if Mr. Panic won. There has been no fighting in Serbia proper, but the devastation of the economy through the war effort and sanctions has swollen opposi-

tion to the once idolized Milosevic. If he fails to be re-elected, that would make a big difference in international calculations and give further legitimacy to intervention. That is all the more reason now to concert rapid plans for action. It could help dissuade plotters from trying to keep Mr.

Milosevic in power regardless of the vote.
Serious mistakes were made, above all the indolent illusion that estranged Yugoslavs could be left to divorce and would then go on to live by civilized rules — rather than insisting with political and economic weight that observing the rules was the price of the privileges of internationally recognized sovereignly. Governments and diplomats reible are at last coming to see that. But it is too late to argue about who should have been recognized when and By Flora Lewis

with what constraints - although the disaster of a free-fall breakup was foreseenble. And it is too early to draw the policy lessons for such cases in the future, acknowledging that the breakup of disaffect-

ed states necessarily concerns others.

There are two urgent priorities now. One is to prevent, by force if necessary, the further spread of hostilities which could engulf the whole of southeastern Europe. The other is to stop the slaughter in Bosnia.

I put them in this order because a concerted display of international determination to nvert fighting in Kosovo and Macedonia will have some influence on Bosnia, providing a chance that intervention there will not have to escalate indefinitely for lack of credibility. The recent offer by Bosnian Serbs to let

whoever wants leave Sarajevo was a sly version. intended to appease foreign opinion, of the medieval siege ultimatum: Surrender or die. For good reason so far, the Serbs believe that they can get away with it. Public outrage in Europe and America is palpably mounting. This cannot be allowed to continue. Something must, something will be done. It will be more difficult than six

months ago, when it would already have been worse than a year ago, and it will keep getting harder. So urgency matters. But so does clarity of purpose and means. I am strongly reluctant to endorse the

better to defend themselves. There are no defensive weapons in this kind of war. If they are able, they will immediately launch counteroffensives to recover lost towns and villages and to punish their tormentors. That will not stop the fighting. Rather, it is a pretext to avoid involvement.

The impending international move is almost certainly to enforce the no-flight zone over Bosnia, proclaimed so hypocritically that, having tested it step by step and found no resistance, the Serbs are now bombing and strafing Bosnians again. Enforcement will mean shooting down some planes. Nothing less would be credible now.

But that won't stop the fighting, either. Nor is the next likely step of bombing out the artillery pounding Sarajevo. These moves will help, but they will not save ex-posed civilians and people in concentration imps. Safe havens will have to be established, as was done in northern Iraq.

That inevitably means accepting the carve-up of Bosnia and letting lines be drawn where the people need refuge. It is a bitter admission, renouncing the principle of a unitary Bosnian state and failing to prevent a Serbian gain from aggression. It will be hard for the UN Security Council to swallow. But a massive invasion will not put Bosnia back together again, and absothe potion when it sent him helmets to keep Croats and local Serbs apart in Croatia,

draw and the Croats can be counted upon to drive for recovery and probably "ethnic cleansing" of those areas. The political situation has changed and it

March, if it is not renewed, they will with-

must be recognized so that military planners can proceed with their mission - to suppress the war. This is a civil war. Serhia is primarily to blame and must be isolated. But it is a defusion that justice requires restoring the status quo ante. It can't be done.

What matters now is to proceed with what can be done with full effort and conviction, not more symbolic gestures like the unen-forced naval blockade and no-flight zone. which proved that Western governments sought only to appease their own public opinion for a time. Dramatic condem without action now are worse than nothing;

they encourage Serbian defiance. The key decision has to come from the United States. Admitting that pains the Europeans, especially the French, who have heen courageous hut haven't the means to lead the way.

It can no longer be a partial decision, still experimenting, but must be firm and definitive: force to impose safe havens, and will to accept the political implications. The Bosnians won't like it. Some of them would rather fight. But this is no longer Yugoslavia's private war. (It never should have been.) Europe and America will and it now — or later at much greater, tragic cost.

The answer lies largely in pro-

viding automatic fire sprinkler technology. There has long been resistance to the installation of

these systems in palaces, museums

and other cultural institutions.

largely due to fears of accidental

sprinkler activation and conse-

But as we saw at Windsor, the

volume of water used to control a

fire manually can bring far greater

damage than sprinklers would cause. In addition, chances of

accidental sprinkler activation are

quite small. During my tenure as

chief fire engineer for the architect of the U.S. Capitol, we launched

an aggressive program to provide

automatic sprinkler protection in buildings including the Library of

Congress and the Supreme Court.

The Smithsonian Institution, the

U.S. National Archives, the Na-

quent water damage.

Since the Monsters Are Real, The Kids Need Real Heroes

By Geoffrey Canada

N EW YORK — You are probably going to be a little concerned when I tell you how happy I am 10 be honored as n children's hero. Some people might be a little more modest and say: "Don't call" me n hero. I'm not worthy of such flattery." But not

me. I desperately want to be a children's hero. You see, children here in New York City need heroes because a hero summons up images of supernatural powers. Heroes were meant to slay dragons and monsters, and far too many of our

children face monsters every day.

Now I'm not speaking metaphorically. I'm talking the real thing - Frankenstein, Dracula. The Mummy, real monsters.

If you calculate the number of deaths these three monsters cause on any given night, it doesn't com-pare to an average Friday night in New York City.

MEANWHILE

In 1991, for example, there were about 12 murders a weekend. Plus, these monsters did not really see children as their target.
Well, that's not entirely true. Frankenstein threw

the little girl in the pond when he ran out of flowers. But even his intent was not to kill children. So the images we have of monsters actually pale

in comparison to the reality that many of our Our children face monsters who kill in the night and the day, monsters who lurk in the dark.

They see monsters on their way to school, in the park, in the hallways at night — monsters who leave traces of their brutal work, staining floors and walls, the vestiges of which tell of horrors unspeakable to sneh young minds.

Our children know that we cannot see the mon-sters, not really, because if we saw them, we would certainly protect the children. What group of adults would sacrifice their children to monsters? I do this work because I haven't forgotten about

the monsters. I remember them, I remember being small, vulnerable and scared. I remember growing up in the South Bronx, when I was 7 and we were cooking potntoes in a hole in the ground in the backyard, which was really an empty lot behind our tenement. Urban camplire

boys, or something like that.

We used to call the potatoes "mickeys" — I

don't know what it stands for — and 5 cents would buy enough for the group. We thought this

was the greatest of fun. Suddenly some man, who was crazy or drunk or evil, or just a monster, burst on us screaming and

grabbing and yelling.
We all ran for our very lives, hit the fence and climbed over — all hut one boy, William. He was fat; he was slow. He got caught. The monster beat him bad. We never found out why or who it was or what it was all about

The thing about monsters is that sometimes they need no reason to act and we children learned that our survival depended on running fast and climbing fences because monsters can't climb fences fast. Now why is that? It's true you know. As any child who knows how to run from monsters will tell you, they can't climh over fences as quickly as

And how hard we practiced, my friends and I,

in the afternoon and early evenings, running through alleys, climbing over fences, learning our monster drill - run. run. fast. fast. hit the fence. over quick, over quick. (Come on now, you know you could be caught.)

And then there was a young boy named Malcolm, just a little boy, whose only distinction was that he was the poorest among us and one of the nicest. And they were only rolling a tire in the afternoon when the man veiled to shut up the noise, and they laughed and paid him no mind. Who knew where monsters lived?

Down he came and shot Malcolm - all of 10 years old — dead in the street in broad daylight. That monster they took away somewhere - jail. Bellevue, who knows. And so we learned of mon-

Don't wake up the monster. Climb the fence. over, over, fast, monsters on the street. No heroes in our neighborhood, no Superman or Batman. No heroes here, just monsters hurting children.

So you see. I have long waited to be a hero riding into town on my fiery steed, slaying monsters who prey on children.

I know them for what they are. Even though I'm

grown, 1 still remember them.

The poor children of this city live with monsters every day. Monsters deprive them of hear in the winter, they don't fix their sinks and toilets, they let garbage pile up in their hallways, they kick them out of their homes, they beat them - sometimes to death. They rape their bodies and their minds.

Sometimes they lurk under the stairs. They scuttle around in the dark; you hear them in the walls gnawing, squeaking, occasionally biting 2 little finger.

Monsters work seven days a week and don't

take vacations. And each night when the children leave our care, we pray we will see them again and won't hear tales of monsters. And it seems to me that on this special day, if we can talk of heroes, then we can talk of monsters,

And if I can be a hero today, then I want what every hero wants — to ride into town with the troops on a big, bold horse, having vanquished the evil, the monster's head held high on a lance. Ann the children looking out of the windows saving, "He killed the monster, come out, come out,"

The children would run out to the streets and cheer, and they wouldn't have to look under the stairs; they wouldn't have to dodge the hullets and the glass and the filth. Their homes would be happy and their bellies full, and they would have love and laughter in their lives, and they would

forget there ever were monsters, Their nightmares would be a thing of dreams; the monster would be on television where you could change the channel or cover your eyes and hide under your mother's arm, not during to look. And the children would have mittens and boots

and happy holidays. They would get up in the morning to smiles and go to school and worry about the multiplication tables and telling time, and not about monsters.

The writer is chief executive officer of the Rheed-len Centers for Children and Families, a group that alds poor children. This article was adapted by The New York Times from a speech last week to the Robin Hood Foundation — a private group con-cerned with poverty-related issues in New York, which gave Mr. Canada its Hera's Award.

LETTERS TO THE EDITOR

proposal of arming the Bosnian Muslims achieving a cease-fire there. But it is tenuous,

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Regarding the editorial "Recognize Macedonia" (Opinion, Nov. 24): Greece's demand that the former Yugoslav republic change its name is entirely justified. The demand is based partly on well-founded, historical arguments, which firmly establish Greece's right to the name "Macedonia." It is also hased on the very real fear that the new re-

public's insistence on using the name reflects designs on the Greek province of the same name. Greece hardly "invites bloody mischief by pressuring Macedonia to renounce the name that defines it as a distinct country with established boundaries." Greece recently launched an initiative aimed at securing pledges from the republic's neighbors confirming the in-

violability of those boundaries. Let them choose any name they

TODAY'S

REAL ESTATE

please, Greeks say; as long as it is a name that does not rightfully belong to another country. STEPHEN STAFFORD.

Athens. The editorial states that Greece's position on the Macedonia debate is not supported by any recognized doctrine of international law or practice." It is supported, however, by the elementary rule of decency, suggesting that no person or state should enjoy legality on the

The Star of Vergina, symbol of the kings of ancient Macedonia, is depicted in the flag of the new "state," and articles of its constitution setting out claims on the whole area have not been repudiated, ATHANASIOS PETROPOULOS.

Athens.

ANNOUNCEMENTS

Herald Eribune.

SEASONS GREETINGS

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OPPORTUNITIES

OFFSHORE

call their area New Macedonia, since the Greeks were there first, 24 centuries ago. New Mexico is known to be separate from Mexico, and New England is quite distinct from Eng-

land, as just two examples. N. C. CUMMINS. London

Unpeaceful Coexistence Lessons of Windsor Fire

Regarding "Fragile Wings Over a Latvia Beach" (Meanwhile, Dec. 1): An attentive reader will note troubling ingredients in Vassily Aksyonov's report about the Soviet presence in Latvia. There is the nostalgia for times when a representative of the "superpower" did not need to concern himself with how the na-tives felt. There is the distortion of

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BUSINESS TRAVEL

there is the arrogance of tone: "fledgling independence," "feverish plans" and so on. How are we ever to live together

if even the best ones, the would-be democrats, cannot shed their imperial skin?

GUNTARS ABOLS. Le Vésinet France.

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AUTO RENTALS

Lessons learned from other fires could have been applied to prevent the disaster at Windsor Castle. All too many such cultural-heritage institutions rely on fire brigades. Unfortunately, as illustrated at Windsor, fires can grow with such intensity that manual firefighting is ineffective. Despite a gallant effort, the fire burned for hours, with se-Since the Greeks remain adamant history; Stalin did it all with the help were heat, smoke and water damabout their right to the name "Mac- of wicked local Communists. And age. Priceless artworks were lost.

tional Library and the National Archives of Canada also have sprinklers now. The National Li-brary of Scotland is in the process of installing sprinklers. AUTOMOBILES LANDROVERS AND TOYOTAS 4 X

It is time for this modern tech-nology to be applied in all cultural buildings worldwide.

NICHOLAS ARTIM.

Director, Fire Safety Network.

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Collor Confident of Surviving Impeachment Storm

By James Brooke New York Times Service

BRASILIA - Flies from the nearby savanna buzzed through open windows of a library while Fernando Collor de Mello confidently outlined his goals for governing Brazil through 1995.

The Brazilian president, wearing a linen suit in the heat, pulled from a leather case his 1993 agenda for modernizing South America's largest nation.

When it was ventured that the Senate might convict him next week in an impeachment trial, Mr. Collor responded easily: "I don't have the slightest doubt that I will be acquitted. This exoneration

JOBS:

the situation to his attention.

ees, According to State Depart-

ment figures, bowever, the number

of those positions never totaled more than 55 worldwide.

For the rest, the department clung to its policy of filling low-level jobs and some specialized po-

sitions only with foreign nationals.

Tom Forbord, a legislative aide to Mr. Rockefeller, said, "When we asked why, the State Department's

answer basically was, 'Well, that's the way we do things.'

will allow me to resume my functions as president of the republic."

Brasilia, a planned-development capital laid out on the table-flat plains of central Brazil, is often called "fantasy island." Today, the latest corner of unreality is Mr. Collor's makeshift office complex, a kind of presidency in exile.

After the Chamber of Deputies voted on Sept. 29 to allow the Senate to try Mr. Collor on corruption charges, he was forced to surrender presidential powers temporarily to Vice President Itamar

Barring last-minute stays, the Senate is expected to reach a verdict in the impeachment trial on Tuesday. If guilty, Mr. Collor will permanently lose his title and his powers, and will be banned from holding public office until the year 2001.

Outside his prefabricated offices, few people bere seem to believe that be will be acquitted of the constitutional crime of "lack of decorum" for accepting \$6.5 million from an influence-trafficking ring beaded by his former campaign treasurer, Paulo Cesar Farias, and for lying to cover up the payments in a separate case.

In one measure of the senators' mood, they voted 67 to 3 to indict Mr. Collor formally two weeks ago. Next week, the votes of 54 senators will be needed to

After the recent vote, Mr. Collor's three

Senate supporters made a fruitless attemp to persuade him to resign.

By resigning, he would retain his politi-cal rights, although he would still face a second, criminal trial.

"At no moment did resignation ever cross my mind," said Mr. Collor, who appeared tanned, trim and relaxed despite the looming legal obstacles.
He dismissed as lies local press specula-

tion that he might spend New Year's Eve in exile in Paris, where he owns an apartment overlooking the Seine.

But Brasilia's rumor mill has been churning right along this week after a Collor aide traveled to Paris and a French lawyer arrived here to help in the defense.

Violence Surges in Somalia In Areas Without U.S. Troops: sion interview. "Eventually our recent days. At the U.S. Embassy

By Jane Perlez
New York Times Service

MOGADISHU, Somalia - As American military officials expressed satisfaction with the lack of resistance to their deployment here and in one other town, violence has increased in areas of Somalia where the forces are not present.

The stepped-up violence, a little more than one week into the bumanitarian operation, raised the question of how secure the American-led coalition could make Somalia as armed gunmen reappeared on the streets bere and others fled to the countryside to escape the net of the arriving forces,

There were also concerns about the safety of American troops as the military planned a weekend landing in Kismayu, a southern port city, to secure the harbor and the airport, much as they did in Mogadishu last week.

American officials said the soldiers would be entering a "dicey" situation in Kismayu, where 150 clan fighters were massacred this week and where starvation is worse than in the capital and Baidoa, the town secured Wednesday.

"The armed opposition here is less than anticipated," said Briga-dier General Ted Hopgood, chief logistician for the Marine forces. "But that said, you come to the conclusion that the situation is extremely complex.

The military spokesman, Colo-nel Fred Peck, acknowledged the increased violence but said that as more troops landed in Mogadishu. it would be possible to establish

wider control. The Pentagon has said 28,000 American troops will eventually be deployed in the operation, which is designed to secure convoy routes for the food needs of about 1.5 million hungry Somalis. Another 15,000 to 20,000 troops from other countries are expected as a comple-

ment, the Pentagon said. Fewer than 10,000 troops, the vast majority of them American, have arrived in Mogadishu since the operation began Dec. 9. President George Bush's special envoy to Somalia, Robert B. Oakley. emed unperturbed that some of the "technicals," the armed Somali jeeps, had fled Mogadishu and were roaming the countryside.

"I don't have any idea where they've gone," he said in a televi-

where they've gone." For the first few days of the oppeared to the wilderness; others apparently hid in the city.

But on Thursday the brightly crowded streets, their weapons in full display. Private cars that weave and dodge through the beavy pedestrian traffic in Mogadishn's streets Thursday had assault rifles poking out of their windows, the traditional Somali method of protecting vehicles from hijacking.

Those gunmen in Mogadishu who had not fled now understood that the American forces would not disarm them unless the weapons presented a direct threat. Somalis aid. Thus, they added, gunmen believed they could flaunt their arms without risking confiscation.

Even in parts of the city in which the Americans have asserted control, there have been firefights in

Bush Ponders Somalia Trip

WASHINGTON - President George Bush is considering making a visit to Somalia before his term ends Jan. 20, but there are many obstacles and no decisions have been made, according to senior administration officials.

"All I can say is that nothing has been scheduled," said White House spokesman, Marlin Fitzwater, in reply to an NBC News report.

But senior officials said Mr. Bush would like to visit the nation where he recently sent thousands of U.S. troops to combat famine and civil war. They said Mr. Bush has been discussing the idea with ad-ministration officials.

"There are a lot of obstacles, including the security prob-lems and whether this could be laid on in time, given the cha-otic situation inside Somalia," one official said.

military will be able to figure out compound Tuesday night, two Somali gimmen poked their rifles through the slits in the high coneration. American belicopters crete sence and shot at a group of swooped over the "lechnicals," to Marines, one of the Americans inintimidate them. Many disap- volved in the incident said. The Marines returned fired and three

Somalis were killed, he added. The increased violence at night colored vehicles reappeared on the and in areas empty of troops showed the need for the Americans to persuade the local warlords to impound their vehicles and get rid of the weapons, as they pledged last

week, several Somalis said. The Americans have to get tough with the warlords," said Hassan Togani, an American-educated Somali. "If they don't the warlords

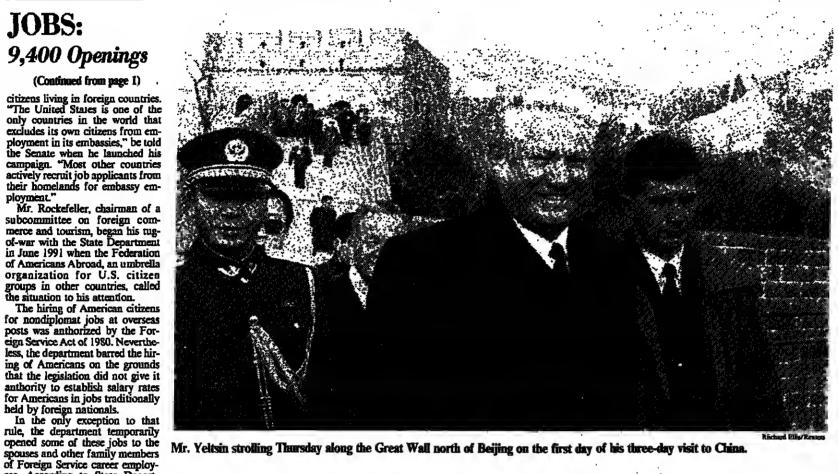
will just play games."
In the countryside, relief workers described a deteriorating situation in advance of the forces' arrival. The most violent place in Somaiia since a civil war started two years ago has been Kismayn, whose rival clans frequently fight each other Foreign aid workers — including those of the International Committee of the Red Cross, which prides itself on staying as long as a possible in a dangerous situation - have often been evacuated from the

This week, officials said that 150 fighters of General Omar Jess - a warlord who loosely controls Kismayn in an alliance with General Mohammed Farrah Aidid of Mogadisbu - had been shot by a rival, General Mohammed Siad Barre Morgan, the son-in-law of the deposed dictator Mohammed Siad Barre. The atmosphere has turned even more vicious than usual, they said, as General Jess's troops sought revenge

Another danger to the U.S. troops could come from violence generated by the large numbers of Somalis starving in camps, Ameri-can officials said. The competition for food among tens of thousands of desperate people makes the at-mosphere volatile.

At the town of Meregh, 400 kilometers north of the capital, the Red Cross reported that "tens of technicals" and "hundreds of gummen" had arrived to watch the unloading .

of food from a ship.
So far there has been no violence, said Geoff Lane, director of relief for the Red Cross, but the potential for trouble is great.



Mr. Yeltsin strolling Thursday along the Great Wall north of Beijing on the first day of his three-day visit to China.

YELTSIN: Russian Leader Opens 3-Day Visit to Beijing, Ready to Deal

(Continued from page 1)

stimulus to the democracy movement at a time when it was losing momentum. The Chinese Army crackdown a few weeks later, and the rise of the hard-liners in Beijing, led to the resur-gence of mutual suspicion between Moscow and Beijing, and the Chinese leaders have been especially scathing — in private — about Mr. Yeltsin's role in the disintegration of Soviet

Department officials said the Today, however, Mr. Yeltsin does not represent a bubbling democracy for young Chinese intellectuals and students, in the way that Mr. policy grew out of several factors, including the need of U.S. embassies for personnel who were native speakers and who had detailed Gorbachev did. While some Chinese admire him, others regard him as a symbol of the knowledge of American customs. Americans living abroad have long dangers of overthrowing a Communist system. When they look at Russia today, they see not so much freedom and democracy as chaos and complained that some employees of U.S. embassies have, at best,

only an elementary understanding For now, China is much more economically of American practices. robust than Russia, and Mr. Yeltsui is likely to In addition, after World War II press Chinese officials for greater financial aswhen the dollar was the world's sistance, more weapons purchases and ample strongest currency, embassies supplies of meat, shoes, warm coats and other could take advantage of favorable umer goods.

exchange rates to pay foreign em-The nominal centerpiece of the visit is the ployees in the local currency. signing of a joint declaration that will lay down the principles of the new friendship: no longer In July 1991, Mr. Rockefeller atwill the relationship be based on Communist tached an amendment to the State brotherhood, but rather on a more pragmatic interaction between two state governments. "It will be based on state-to-state relations of

even to say if families had been

notified, it appeared that nearly all

those deported were theoreticians.

fund-raisers and beads of Islamic

Department's annual authorization bill requiring that the embassy posts be opened to Americans. More than a year went by without a new type," said a Chinese intellectual, echothe rule being pur into effect. ing a phrase that Chinese leaders have report-

edly used to characterize the new friendship. No alliance, no confrontation."

"No alliance, no confrontation."

China is expected to extend a loan of tens of millions of dollars during the trip. Russian officials also have said that their government plans to continue selling weapons and other military equipment to China. The Chinese have already paid \$1 billion for two dozen So-27 jet fighters and are reportedly interested in MiG-31 tate submarines and bombers. jets, submarines and bombers,

This growing military cooperation is a source of increasing alarm to Southeast Asian countries and to Taiwan. Most of the weapons that China is buying are intended to improve its ability to project its power beyond its borders. Another agreement will bring Russian engi-

neers and technology to China's northeastern province of Liaoning for the construction of a nuclear power plant, the first such joint project between China and Russia. Among the most visible signs of the growing economic relationship is the increase in trade, which totaled \$3.9 billion for 1991. In Beijing, for instance, Russian entrepreneurs crowd the free markets and create virtual traffic jams as

they stroll along the streets with bags stoffed

with sweaters, down jackets and other clothing. More and more Chinese traders are also flocking to Moscow with parcels of toys, foodstuffs, suits and other consumer items, and some have set up offices or stores there. Chinese enterprises have also sent consultants and other professionals to set up joint ventures and coopcrative arrangements in Russia.

In return, the Chinese are receiving scores of Russian engineers and technicians to help con-struct electrical stations and other industrial projects. Russian scientists also are expanding cooperation with the Chinese on various projects, including space research and oil produc-

Chinese and Russian officials say total trade this year could top \$5 billion, about 80 percent of it conducted at various checkpoints along the border that stretches some 4,500 kilometers (2,800 miles) between the two countries.

Mr. Yeltsin is also expected to discuss with Chinese officials the demarcation of disputed border areas, including the region that China calls the Heixiazi Islands in its northeast. Negotiations have dragged on for several years now, but Mr. Yeltsin may at least agree to reduce the troop presence in these areas.

Another irritant for the Chinese is Russia's ports that Taipci and Moscow will open air links and reciprocal offices to issue visas. The Chinese are also apparently angry that Russian officials have visited Taiwan on scouting trips

to sell weapons and other military equipment. After meetings on Friday with Chinese leaders, including Prime Minister Li Peng, Mr. Yeltsin will travel the next morning to Shenzhen, a special economic zone adjacent to Hong Kong. Mr. Yeltsin insisted on visiting Shenz-hen, one of the most capitalist cities in China. despite the initial hesitancy of his Chinese

UN Peacekeepers for Mozambique Will Shepherd It Through Election signed in Rome on Oct. 4 by the United Nations is facing severe

By Paul Lewis

UNITED NATIONS, New York - The UN Security Council has approved its fourth peacekeeping operation of the year, agreeing to send about 7.500 troops, police men and civilian administrators to Mozambique to monitor a ceasefire agreement, disarm rival armies and organize elections.

The new force will be the 13th the United Nations is deploying around the world. It brings the number of blue-helmeted troops under UN command to nearly

The force will oversee an accord ending 14 years of war, which was

government of President Joaquim Chissano and the Mozambican National Resistance Movement, a rebel group known as RENAMO, under Afonso Dhlakama.

arm both sides, integrating portions of the two forces into a new national army, and will organize free elections by October. Earlier this year, the United Nations sent about 20,000 peacekeep-

mer Yugoslavia, and sent a smaller force to Somalia. The new operation in Mozambique, which is estimated to cost about \$330 million, comes as the

ers each to Cambodia and the for-

money difficulties.

It is owed some \$1.2 billion by member states, with the United States and Russia each owing about \$410 million. Unpaid peacekeeping dues total \$642.5 million. million

In addition to disarming both sides in Mozambione and organizing elections, the force will take over from Zimbabwean and Malawian troops the job of protecting the transportation corridors that run across the country to the land-

ocked nations of Central Africa. The UN insistence on full disarmament before elections reflects a bitter experience in Angola, offi-cials said.

EXPEL: Israel Ousts Nearly 400

Israel look weak and would have further strengthened Hamas, he

Besides, the prime minister said, the expulsions are to last no more than two years and can be appealed from outside Israel. It was doubtful, however, that

Israel was about to put an end to violence by getting rid of these Palestinians, whose number was tenta-

Initially, officials said that 418

trips to portable toilets, they sat on buses bound and blindfolded the mentary buman rights," Mr. Kohl said. But on the Balkans he deentire day while Israeli civil-rights

murred, referring to wartime Nazi lawyers appealed in their behalf to the Supreme Court. For unstated atrocities that make deployment impossible now for Germans: reasons, 35 were reportedly taken German history has its own signifoff the buses and returned to prisicance here," be said. In Somalia, he said, Germany Although government officials refused to make the list public, or

could no longer stand on the sidelines. "We need decisions, and not endless legal discussions," Mr.

He asked the government immediately to raise the number of supply flights to Somalia to four a day, aid from reaching the starving civil-true," Mr. Kohl said. diately to raise the number of sup-

TROOPS: Kohl Vows to End Ban try said that up to eight C-160 sup-ply planes, capable of flying in 10 tons of food and medicine each on

as many as four flights each per day, would be deployed to the area. A logistical supply and transport battalion of as many as 1,500 sol-

diers, with a self-defense force, would be offered to the United Nations for "homanitarian purposes," Mr. Kohl said, as soon as the affected regions of Somalia had been liberated from control of the feud-

ian population until American

forces went in this month.

Mr. Kohl acted Thursday as if he had had enough of suggestions that be and his country were helpless giants, and he showed extreme sensitivity to the resignation early this week of his minister for the post office and telecommunications, Christian Schwarz-Schilling

The minister, a member of Mr. Kohl's Christian Democratic party, said that he was "ashamed" to belong any longer to a cabinet that was "content to do nothing" about the war in Yugoslavia.

"I'm sorry he left, and I'm sorry

OTHERS: Fruitful Planet Quest by Hubble Telescope

(Continued from page 1) and Epsilon Eridani. These stars are all much older than those observed in Orion Nebula, Beta Pictoris being at least 1 billion years old. It is thus not possible to link the circumstellar disk with these older stars' earliest evolution. Some observations indicate much larger particles, the size of pebbles rather

than sand, around Beta Pictoris. Although there have been several observations mistakenly identified

ent planetary system. Radio as- turmoil in regions where primorditronomers a year ago announced that by tracking fluctuations in the radio waves from a collapsed star, they had inferred the existence of two and possibly three planetary objects. The objects are orbiting a dense spinning remnant of an exploded star, known as a neutron star or pulsar. If these are indeed planets, scientists said, it is most

Even with Hubble's flawed opas planets of other stars, the evi-dence is strong for only one appar-enough to reveal the high-energy

unlikely that they would be hospi-

al gases are condensing into stars. Some of the pictures show ! lumes of gases driven at supersonic speeds by winds of particles. Radiation from nearby hot stars

boils off material from the disk's

surface, and this material is then

blown back into a cometlike tail by the particle winds. In October, NASA and international scientists began an expanded search for radio signals from intel-ligent extraterrestrial beings. So

far, the results have been negative.



TRANSITION / THE CABINET GROWS



Surgeon General: Waiting Her Turn

By Malcolm Gladwell

WASHINGTON - Although no official announcement has been made, President-elect Bill Clinton's apparent choice for the office of surgeon general has already produced two major surprises.

The first is the reported nominee.

kansas Department of Health, a woman so outspoken she could make former Surgeon General C. Everett Koop seem demure by contrast At a pro-choice rally in Little Rock last January, she told abortion opponents to "get over their love affair with the fetus."

The second is that although word of Dr. Elders's nomination was being reported widely in the press by Monday evening, the Clinton transition team did not get around to telling the current surgeon general, Antonia Novello, about the matter until Tuesday afternoon. She first heard the rumors on the radio

Dr. Novello, who holds a nonpobtical appointment, is not required to quit her post until her four-year term expires in March of 1994 resign when administrations change. She has not submitted a resignation and her office said "no comment" to all questions about

In Arkansas, Dr. Elders was alshe planned to do as surgeon gener-

Eldersism No. 2: "What we can bright young people." do most to reduce infant mortality is to reduce unplanned, unwanted

"They don't want to support any tion rights.

programs that will make them into productive citizens," she said.

A Clinton spokeswoman said: "The governor has not made any announcement. That's all I know. Generally once he makes a decision, he makes the announcement."

Dr. Elders, a 59-year-old black pediatrician, has beaded Arkan-Joycelyn Elders, chief of the Ar- sas's Health Department for five years, aggressively promoting what she terms a "pro-children" and "pro-choice" public health agenda.

"She's been remarkable in lessening the number of teenage preg-nancies in this state," said Bill Jones, a Little Rock dermatologist and past president of the state's

"She's on the front pages of the papers every other day," said Anne Dierks, president of Arkansas Right to Life. "She's very outspoken. Everyone has an opinion about her."

Dr. Elders said that if she were surgeon general, the issue at the top of her agenda would be "dealing with health care reform and making sure we bave universal access."

"The second thing is that we have to go out and market and sell prevention to this country," she said. "We'll never have adequate health care until we teach people how to be responsible and take care of their own health. We need comready giving interviews about what schools relating to teenage preg-nancy, AIDS, violence, accidents -all the things that are killing our

It is on the issue of abortion, bowever, that she is likely to create Abortion foes, she said, "love the most controversy, since no othlittle children as long as they are in someonetelse's uterus." er surgeon general in history has been so outspoken in favor of abor-

Veterans and Hispanics Get Voices in New Administration

The Associated Press

President-elect Bill Clinton gave cabinet jobs to Henry Cisneros, the former mayor of San Antonio, and to Jesse Brown, a Vietnam veteran, on Thursday, furthering his campaign pledge for diversity in his administration.

Mr. Cisneros, the first Hispanic mayor of a large American city, next week.]

mayor of a large American city, next week.]

Mr. Clinton announced his latest and urban development.

He is the first Latino member of Mr. Clinton's cabinet.

Mr. Brown, executive director of the million-member Disabled American Veterans, was named secretary of veterans affairs.

He is the second black named by Mr. Clinton, joining Ronald H. Brown, designated as commerce

secretary.

Mr. Clinton also named Hershel W. Gober, director of the Arkansas Department of Veterans Affairs, to be Jesse Brown's top deputy. These individuals have one

thing in common: They have lived the issues they will now address in government," Mr. Clinton said.

They represent the best in a new generation of leaders." The appointments on Thursday

with nominations for other senior positions. Richard Riley, former governor of South Carolina and a longtime friend and key transition aide, is expected to be named - perhaps Friday - to bead the Department

In addition, Mr. Clinton is almost certain to name Warren and a prominent Los Angeles law- anything to end what already is a

sources said. The announcement the domestic positions have been filled, the Los Angeles Times reported from Washington.
[Two Clinton foreign-policy ad-

visers. Anthony Lake and Samuel Berger, remain the leading con-tenders for national security adviser, the sources said. Those appointments also are not likely before

choices at a news conference where he was joined by Mr. Cisneros, Mr.

Brown and Mr. Gober. On a foreign-policy front, Mr. Clinton expressed reservations about Israel's deportation of 400 Palestinians accused of beloning to

militant groups in retaliation for mounting Muslim violence. "I share the anger and the frustration and the outrage of the Israe-li people at what has bappened" in the violence, he said.

Nevertheless, he added, "I'm concerned that this deportation may go too far and imperil the

On another issue, Mr. Clinton said he was sympathetic with the North Atlantic Treaty partners, like Britain, for their reluctance to send U.S. warplanes to shoot down Serbian aircraft violating a flight are expected to be quickly followed

ban in Bosnin-Herzegovina. "I think we just have to go back to the table," he said. "I think we ought to give the administration a

He urged Serbs to turn out the government of President Slobodan Milosevic in elections on Sunday. He said that "could do more than

Asked about political upheaval LITTLE ROCK, Arkansas - may not come until next week, after in Russia, which led to the ousting of Prime Minister Yegor T. Gaidar. Mr. Clinton said he was giving a lot

of thought to steps he could take to keep democracy flourishing. "I think those folks are going through a terribly tough time," he said, adding that he and Vice President-elect Al Gore had spent a los of time on seeking a solution, within U.S. budget restraints, "to try to stabilize the direction over there and give those folks some way of feeling this thing is going to come

"It is a very important issue to me and I'm going to do what I can to keep Russia moving in the right direction," Mr. Clinton said.

Mr. Clinton said Mr. Cisneros would bring "fresh energy to an agency that badly needs reform. In Jesse Brown, Mr. Clinton said

he was choosing a man who had worked for more than 20 years in veterans affairs. He knows first-hand that those

who have given of themselves to fight for this country deserve the best this nation can offer," he said. Mr. Brown was wounded in Viet-

Referring to the Veterans Administration, Mr. Clinton said, "Ton often this agency has acted callously to those it was supposed to serve.

chance to see what can be done."

He said that "anything we do over there ought to be done through the United Nations."

Promising to be an advocate for the nation's 27 million veterans, Mr. Brown said be would be "a secretary for veterans' affairs, not a secretary for veterans' affairs, not a secretary of veterans' affairs."

Mr. Cisneros said, "I sense we have limited time for America. We cannot talk about the economy and not talk about our cities and towns about the poor of all races.



President George Bush putting his signature to one of the key accomplishments of his presidency, the North American Free Trade Agreement, on Thursday in Washington. With him was the Canadian ambassador to the United States, Derek Burney, and the U.S. trade representative, Carla A. Hills.

most certain to name Warren Christopher, his transition director and a prominent Los Angeles law anything to end what looming catastrophe."

Election Turnout Was Highest in 24 Years

WASHINGTON - Turnout in the presidential election reached 55.23 percent of the voting age population, the highest share since 1968, according to Curtis Gans, head of the Committee to Study the

American Electorate, In 1968, voter turnout was nearly 61 percent. Mr. Gans said 104,402,691 citizens voted for president this year. That was a sharp increase from the 91,594,805 who voted in 1988, when 50.11 percent of the population 18 and over voted. Mr. Gans said the increase could be attributed almost entirely to the independent candidacy of Ross Perot. (NYT)

Money Talks, at Least a Little, for Judge

. WASHINGTON — When a federal appeals court judge, Patricia M. Wald, recently told President-elect Bill Clinton that she did not want to become his attorney general, one of the reasons she cited was

As head of the Justice Department, Judge Wald would have made \$143,800, slightly more than her current salary of \$137,300. But she is two years from qualifying for a lifetime pension at the full salary of an appeals court judge. That was "not the critical factor" in her decision to remain on the federal bench, but "the

pension was a fact to be considered," according to Robert Wald, her husband and a Washington lawyer.

Judge Wald, 64, declined to be interviewed, and Robert Wald would say only that it was "a combination of other facts - personal and professional"—that weighed in his wife's decision not to leave the bench. Friends have said Judge Wald relishes her job and does not want the worry that a high-profile position running a large federal agency would entail. (WP)

Quote-Unquote:

part.

Samuel Popkin, a political scientist at the University of California at San Diego and a former Clinton campaign adviser: "The real question with Bill is going to be who he gives the work, not who be

Away From Politics

• One out of five American children lived in poverty in 1991, the largest number since 1965, the Children's Defense Fund said in its annual report on "The State of America's Children."

• Former Defense Secretary Caspar W. Weinberger's early diaries are to be subpoenaed by Washington prosecutors to bolster their charge that Mr. Weinberger lied to conceal detailed notes be took during the Iran-contra affair.

• The controversial "abortion pill," RU 486, could be quickly authorized for use in the United States if the French manufacturer of the drug, Roussel-Uclaf SA, applied for approval, the Food and Drug Administration says. istration says.

• Funes from a noxious combination of cleaning chemicals forced the evacuation of an L. L. Bean distribution center in Freeport, Maine, sending 25 people to hospitals, officials said. No one was

The white supremacist accused of killing the black activist Medgar Evers in 1963, Byron De La Beckwith, will undergo a third trial on the charge, the Mississippi Supreme Court has ruled, reopening one of the most sensational and troubling cases of the civil-rights era. Remers, AP, UPI, WP, LAT, NYT

Final Days: **Bush Aides** Ride It Out

By Keith Bradsher

New York Times Service WASHINGTON - After returning from a visit to China and Hong Kong aboard a military jet, several Bush administration officials plan to tour Moscow and St. Petersburg at government expense a few days before the inauguration of Bill Clinton forces them from

The U.S. Embassy in Moscow has tried informally and unsuccessfully to discourage the trip, saying it is unnecessary, according to an

official who was critical of the trip. amenines for a luxury train trip from Moscow to St. Petersburg than into the actual agenda for the trip, which will have something to do with the conversion of Russian military factories to civilian production, the official said.

can of North Carolina, and other members of Congress are already criticizing the trip to China by Commerce Secretary Barbara H. Franklin, who flew there with senior aides Tuesday abourd an Air Force C-137, a luxurious version of a Bocing 707.

Because the government's fisca year runs through September, the current surge of spending may use up money that have would otherise been available for Clinton appointees. The Russia trip is lanned for mid-January, said a Commerce Department official.

The conversion of military complexes in Russia has been a biparti-

The planned trip to Russia will be headed by Joan M. McEntee the acting undersecretary of commerce for export adm She is the government's top official on controlling the sale of militarily useful products to communist and terrorist-supporting countries.

Ms. McEnice, who went on the China trip, is recruiting officials from the State and Defense Departments to make the trip. She and the entourage plan to be in Russia from Jan. 11 to Jan. 15, flying back shortly before they lose their jobs on Jan. 20.

Senator Jesse Helms, Republic

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Vaccine Held Off AIDS in Monkeys, Researchers Say

WASHINGTON - Scientists at Harvard University said Thursday that they had successfully vaccinated monkeys against infection with SIV, the monkey form of AIDS.

The Harvard New England Regional Primate Research Center reported in this week's Science magazine that monkeys vaccinated against simian immunodeficiency virus remained protected more

than two years later. The rhesus monkeys were given a genetically altered form of the whole, weakened SIV virus, which lacked the gene known as nef, that oroved to protect them against 1.000 tests of SIV infection.

The researchers said the success with the SIV vaccine cannot be immediately translated into development of a vaccine against AIDS in humans but said it is a guidepost on the way to the vaccine.

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Shift in Momentum Tightens Seoul Race

By Paul Blustein

Washington Post Service SEOUL — Nineteen years ago. Kim Dae Jung's opposition to the South Korean military government was deemed so seditious that the government kidnapped him from a Tokyo hotel and brought him back to Seoul to face charges. Twelve years ago, he was sentenced to death on another sedition charge - and was spared only because of an international outcry.

This week, supporters of Mr. Kim have been touting private polls showing that he has just edged ahead by a percentage point in the election for the South Korean presidency, which was going on Friday. Mr. Kim's fortunes evidently have risen because his two main rivals had been tearing each other apart while he had positioned himself, Bill Clinton-like, as a candi-

date of nonthreatening change.
"We have finally gained the momentum for our party's victory," Mr. Kim said, after trail-

The apparent tightness of the race makes it a watershed in South Korea's long and often bloody process of democratization. Although n number of private surveys show the governing party candidate, Kim Young Sam, holding a narrow lead, many analysts believe Kim Dae

And even if his polls prove to have been overly optimistic, the fact that a Kim Dae Jung presidency has become plausible illuminates the extent to which South Korea has broken

free of its repressive past. Whoever wins this election, it is really a sign that Korean democracy is making progress," said Ahn Byung Joon, a political science profes-

sor at You Sei University in Seoul.

A victory by any of the major candidates would represent a milestone in South Korea's political maturation. For one thing, since oone of the candidates is a general, the country will be run by a civilian for the first time since 1961.

Kim Young Sam, like Kim Dae Jung, boasts a record of courageous resistance to the former military government; he merged his party with that of the current president, Roh Tae Woo, and was rewarded with the presidential nomination. The other major candidate, Chung Ju Yung, founder of the giant Hyundai conglom-crate, is running in part to challenge the government's tendency to use its pervasive bureaucratic power to punish and harass companies

and individuals Significantly, debate among the three has

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Jung, 67, has moved to within striking range of a historic upset. ignored the question of whether to democratize. That is now taken as a given, unlike previous

Rather, the candidates are wooing voters with proposals for rejuvenating the economy, which is suffering from a slowdown and eroding competitiveness after an extraordinary boom. Mr. Chung offers perhaps the most radical program, including pumping up the money supply and dismantling the nation's giant conglomerates. Kim Young Sam promises to com-bine "stability and reform" by gradually mov-ing toward deregulation. Kim Dae Jung falls somewhere in between with a platform designed to vigorously promote small and medium-sized enterprises while getting rid of financial policies that favor the conglomerates.

What has given Kim Dae Jung his recent momentum is a fierce battle between his opponents over government allegations that Hyundai funds have been used to finance Mr. Chung's campaign. Government investigators charge that Hyundai officials funneled millions of dollars worth of company funds into the founders party, and a 27-year-old Hyundai employee publicly admitted to some seemingly

A Bustling, Blaring Taiwan Watershed

By Nicholas D. Kristof

New York Times Service
TAIPEI — With the same fervor that helped build Taiwan's economic miracle, candidates are bustling about the island in preparation for landmark legislative elections on Saturday, vigorously plastering walls with posters, denouncing each other from sound trucks, bribing voters with gifts and cash, and in one case reportedly even trying to burn down a rival's

The campaigning is as chaotic as Taipei traffic, and it marks a sharp break from the orderly autocracy with which Taiwan was governed

until a few years ago. The elections this week are widely regarded as a milestone in Taiwan's transition from a harshly repressive authoritarian system to a no-holds-barred democracy.

This year for the first time, all legislators will be chosen by voters on Taiwan. Also for the first time, candidates are allowed to break the last taboo and demand that the government renounce its claims to mainland China.

Curiously, the elections may have their greatest effect not here — for only 20 million people live on Taiwan — but in China, home to nearly 1.2 billion, where intellec-tuals increasingly look to Taiwan

Some Chinese on the mainland see in Taiwan an example of bow a repressive government based on Chinese culture can open up politi-cally and turn toward a multiparty

In this respect, Taiwan's growing democratization is an important subversive force in China.

The growing contacts across the Taiwan Strait mean that more and more Chinese are aware that their cousins on Taiwan are able to curse their leaders, cast votes and engage in other mind-boggling activities.

For the Kuomintang, the governing party on Taiwan, the election will likely mean less control over the legislature, but at the same time it will provide a welcome dose of something that the governments here and in Beijing have been short of: political legitimacy.

"The most important consequence of the election is that the Kuomintang gets more legitima-cy," said Antonio C. N. Chiang, a magazine publisher in Taipei.

"In addition, it will change the power structure. The legislature can become more powerful. It will

elective office. In 1996, when the present presidential term ends, it is expected that the president will be chosen by popular election for the first time.

In this legislative election, 403 candidates are running for 161 seats, and the Knomintang is almost certain to retain a solid ma-

But the opposition Democratic Progressive Party is expected to improve its position, creating a more balanced two-party system.

This election is looking very negative for the Knomintang," said Tim T. Y. Ting, a prominent poll-

He said he expected the Kuomintang to win less than 60 percent of the vote, which in Taiwan terms would be a crushing humiliation.

ASIAN TOPICS

U.S. Reassesses Role

Of Philippine Mission

The United States will reduce its diplomatic mission in the Philippines after the removal of American military bases and the country's diminished importance to Washington, American and Philippine sources in Manila say. Local newspapers quote Philippine Foreign Office sources as saying the reductions signal a U.S. policy of "benign neglect."

An unidentified senior Filipino diplomat was quoted as say-ing, "With the bases gone, you could expect that Manila will be at the bottom of the ladder of priorities by Washington."

An emhassy spokesman, Frank Jenista, said, "Under the post-bases environment, the United States Embassy is reevaluating" the staffing situa-oon. He declined to elaborate. The Manila embassy is one of the largest U.S. diplomatic missions in the world. The staff includes about 350 Americans and

1,200 Filipinos. Last month, the U.S. Navy closed its base at Subic Bay, the last American military installation in the Philippines. Five years ago, more than 40,000 American troops, civilians and military dependents were sta-

Around Asia

tioned at six bases.

Texas Southern University will suspend, expel or require restitu-tion from members of its 126member marching band who shoplifted while touring Japan. A spokesman said the university had identified eight students as shoplifters and said possibly up to 20 more were involved. Most of the stolen items were returned. These acts by some demean every member of the university community," said William H. Harris, president of the all-hlack institution, expressing his "personal disgust." Carla Ferguson, 20, a junior, said: "It makes the band look bad, the school look bad and our race look bad. You don't go all the way to another country and start stealing

For centuries, Korean Bud-dhists, in a symbol of respect for life in all forms, have conducted ceremonies releasing live fish into ponds, lakes, rivers and the sea — a ritual that now finds them accused of disrupting the ecology. Critics say some 25 species of indigenous fish have dis-appeared from parts of South orea, largely because the 2 million fish released by Buddhists each year include foreign species that are displacing the natives.

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GRIEVING - A child who survived an earthquake in Indonesia weeping for her parents as she left Babi Island on a rescue boat. Her parents were among 700 people swept off the island by tidal waves. In all, 2,200 people died in the disaster.

"Logically, the solution would be | to stop this nonsensical prac-tice," said Mok Jeong Bae, a professor at Dongguk University, a Buddhist institution in Seoul. But temples make money out of the fish ceremony, and "any temple that desists would soon find itself bankrupt."

People over 60 are almost eight times more likely to die suddenly while playing golf than while jog-ging, according to a survey by Japan's Health and Welfare Ministry. The higher risk for golfers could be linked to the fact that golf takes a lot longer, one researcher suggested. On average, joggers jog more often than golfers golf, keeping themselves fitter. But they jog for only half an hour or so at a time. In over-crowded, land-scarce Japan, many golfers must rise before dawn and travel for hours to reach their destination. Once there, playing a round of golf, given delays because of the same overcrowding, can take four hours or more. Golf also costs

more and has more competitive

A businessman sang the Can-tonese song "Just Once" just once too often for two Hong Kong karaoke cluh patrons, who told a court they best him up for his "intolerable" crooning. The two received nine-month suspended sentences. Witnesses said customers hooted and hurled bar glasses at Lau Kin-chung, an advertising agency di-rector, while he sang. He took the hint and returned to his table. There, according to the South China Morning Post, Chu Wai-kit and Lo Hoi-sze cursed him and beat him. Defense lawyers said Messes. Chu and Lo were not the only attackers — just the only ones too drunk to flee before the police arrived, Karaoke bars, hugely popular across Asia, cater to amateur singers with equipment that enables them to sing their favorite songs over recorded background music.

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Guerrillas Free 21 in Cambodia **But Take 46**

Agence France-Presso PHNOM PENH - Lhmer Rouge guerrillas in central Camba dia took captive 46 more United Nations peacekeepers on Thusday after releasing 21 captives eatier in the day, a UN spokesman said. lo an abrupt turn of evens, an unidentified Khmer Rouge oficial appeared at the scene in Kompone Thom Province and ordered the detention of the second group, 2

The 46 Indonesians in the UN force and their Khmer Rouge cap-tors were fully armed, and a UN spokesman did not rule out an armed confrontation.

UN official said.

"There is a potential for conflict which we are trying to avoid as per United Nations rules of engagement," said the spokesman. Eic

"We're a peacekeeping force in Cambodia to monitor and main-tain peace," he said. "We're not going to go shoot our way out of

"Since both are fully armed, w: have to use negotiations," he said, adding that the guerrillas had B-40 rockets and seminutomaoc weap-

The incident was the second of its kind in two weeks in the province. In early December, a group of six peacekeepers spent four days as hostages while the local Khmer Rouge commander demanded that the Phnom Penh government forces surrounding him withdraw.
Of the 21 captives who were released earlier Thursday, a group of
12 Indonesians had stayed in the

This group of 12, laterimet by 34 more Indonesians, was speking assurances that the guerrilas would refrain from taking more peace-keepers captive, Mr. Faltisaid.

When they had finished, they tried to leave the village, but a Khmer Rouge official who had not been seen before stepped in and prevented their departure, the UN official said.

The official said he would release the captives only if ordered to do so in writing by his regional com-mander. General Men Ron, who was with his forces some distance north of Kompong Thom, Mr. Falt

Hungary Acts on Abortions

The Associated Press BUDAPEST - Hungary's parliament adopted a liberal abortion law Thursday that allows pregrancies to be terminated in virtually all cases in the first three months.

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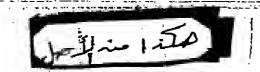
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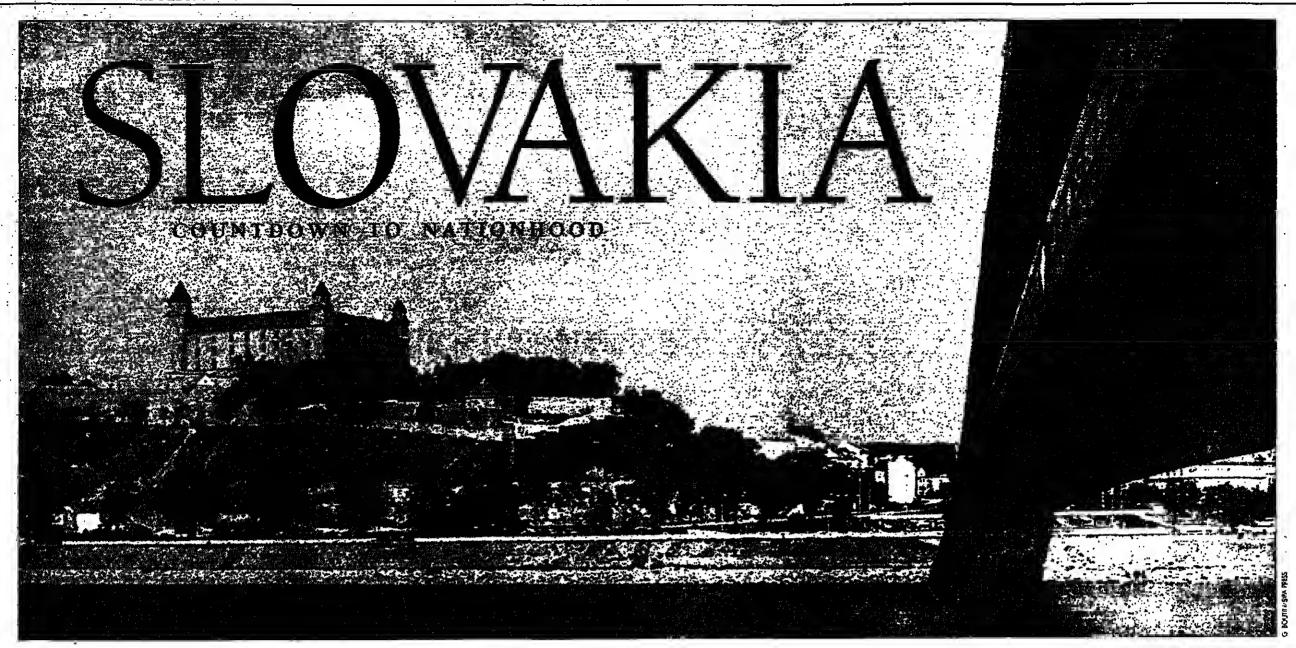
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Pragmatism, Not Pomp, Marks Independence

With its formal act of sovereignty only days away, Slovakia has largely completed the formation of its government. The transformation of its economy is at an advanced stage. A key point of Slovak foreign policy will be special economic ties to the Czech Republic and the European Community.

The Slovak Republic has been described as the realization of a thousand-year-old dream. But the Slovaks themselves are approaching their impending independence with anything but pomp and drama.

Tm sure there will be some festivities on January 1, but most people have too much to do to get excited about any celebration," says Boris Gandel, a young Bratislava-based

In business-as-usual Bratislava, only scattered bits of evidence suggest the advent of a new economy and a new sovereignty. Recently hung signs for restaurants, clothing stores and the Henkel Paima joint venture dot the cityscape. In the pal-aces and administrative buildings housing government ministries, computer printouts serve as office nameplates; the briskly professional occu-

to maintain, at least for the time being, a common currency, as well as provisions against double taxation. As the Czech Republic is double the size and has twice the population of the Slovak Republic, resources from and obligations to international bodies will be divided up accordingly. Each country will have control over the infrastructure and assets located on its territory. The only remaining matter to be cleared up, according to the German business weekly Wirtschaftswoche, is the apportioning of

military stocks. Says Ivan Gasparovic, chairman of the National Council: "We will will be a smooth one. We want to continue having close links with the Czech Republic. Our political and economic structures have been closely integrated for 74 years, and should

nation-building, it is easy to forget that the country that will come into being on Jan. 1, 1993 will be completely different than the Slovak Republic of Czechslovakia, Previously, Bratislava was "the other capital of the other republic." Transport, media, tourists and investment made their way to the Slovaks via Prague.

The future, independent Slovak Republic will be oriented toward Vienna and the West, Vienna's Schwechat airport is only 35 kilometers (2) miles) away from downtown Bratislava. A rapid-transfer link between Schwechat and Bratislava's airport is under consideration. To accommodate the constant stream of commuters and shoppers between the two cities, the existing thoroughfare will be widened.

Beyond Austria lies Germany and the rest of the EC. The Czecho-Slovak federation's associate membership in the EC has been transferred to the Slovak and Czech Republics. The 165-page "treaty of association" public stipulates the abolishing of tariffs and quotas in whole product sectors; others will be reduced to the levels enjoyed by Switzerland, Sweden and Austria.

always awarded high marks for its peoples' linguistic abilities, especial-ly in regard to German, often described as the country's "second offi-cial language." For historical reasons, the Slovaks are equally fluent in English and French. At the turn of the century, more than a quarter of Slovakia's population -700,000 people — emigrated to America. In fact, the articles of association setting up the Czecho-Slovak federation were formulated in Cleve-

War 1. Other principal emigrant des-tinations were France, Belgium and From 1968 to 1989, a small but highly important wave of emigration took place. An estimated 10,000 of Slovakia's leading writers, artists and musicians went — or were forced into exile. Many went to Paris, that traditional haven of dissidents, as well as to New York, Stockholm,

Munich and Vienna. Today, meetings with business have become a regular item on the Slovak Chamber of Commerce's monthly agendas. Many of these American entrepreneurs have Slovak last names and a good working



Who's Who in Slovakia

 Born on July 26, 1942 in Zvolen,
 Prime Minister Vladimir Meciar began his career in 1959 as a local administrator. Having risen to a senior position in the government's bu-reau of audit, Mr. Meciar was purged following the post-1968 clampdown. He earned a law degree and founded a private-sector engineering office. He later worked as an attorney for a factory. At the end of 1989, Mr. Meciar returned to politics as one of the heads of the VPN, or Public Against Violence, a citizens' movement. In January 1990, he was appointed interior minister in the new Slovak government. Six months later, be became prime minister of the Slovak government. Although he fell from power in April 1991, Mr. Meciar, riding the electoral success of his new Movement for a Demo-cratic Slovakia party, returned in

 Ivan Gasparovic is chairman of the National Council of the Slovak Republic. Born on March 27, 1941 in Poltar, he received a doctorate in jurisprudence in 1964. From 1965 to 1968, Mr. Gasparovic was a district attorney in Bratislava. In 1969, he became a professor of law at Komensky University. From July 1990 to March 1992, Mr. Gasparovic worked as a general district attorney for the Czecho-Slovak federation.

June 1992.

 Milan Knazko was born on Aug. 28, 1945 in Horne Plachtince. After studying acting in both Slovakia and France, he began his career in 1970.

Over the next two decades, he be-came one of Czechoslovakia's most famous actors, appearing on the stage and on television as well as in the movies. One of the key organizers of the "velvet revolution," Mr. Knazko is deputy prime minister and foreign minister of the Slovak

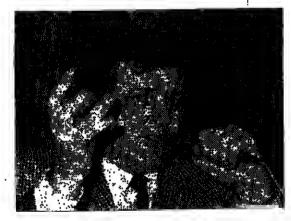
 Slovakia's minister of finance. Julius Toth, was born on May 6, 1935 in Zvolen. After receiving a degree in engineering in 1960, he held positions in various iron-processing plants. In 1990, he helped privatize of these plants.

Republic.

· Slovakia's minister for administration and privatization, Lubomir Dolgos, was born on Aug. 20, 1956 in Podbrezova. After earning a degree in economics in 1983, he worked as a staff economist at the Slovak Academy of Sciences. Mr. Dolgos is the author of several critical studies of centrally planned economies.

● Olga Keltosova is Slovakia's minister for work and social affairs. Born on Feb. 27, 1943, Mrs. Keltosova has a degree in journalism and worked as an editor of magazines for children and young people. Since June 1990, she has been a member of the parliament of Slovakia.

 Katarina Tothova is Slovakia's minister of justice. Born on Feb. 6. 1940 in Bratislava. Mrs. Tothova received a degree in jurisprudence in 1962. She served as a legal counsellor before entering politics.



pants denominate their office tenure

Throughout Slovakia, the largest

meetings are those of managers and

entrepreneurs soberly and purpose-

fully searching for markets and joint-

venture partners for their newly

founded or privatized companies.

Around its borders, a similar, highly welcome sense of calm has settled in.

After months of political high dra-

ma, the Slovaks and Czechs have

gotten down to sensibly negotiating

the special relationship a common

history and geography have laid

In what will soon be 26 bilateral

in weeks and months.

down for them.

Top: Over the Danube, Bratislava's castle. Left: Prime Minister Vladimir Meciar will serve, for the first time, an independent Slovakia. Right: Bratislava during the "velvet revolution" of November 1989.

stay that way. But we have to rede-fine our relationship. For years, both the Czechs and the Slovaks blamed each other for various problems. Now, if we fail in many areas, we can only blame ourselves."

Such no-nonsense reasonability even shows signs of pervading the dispute between Slovakia and Hungary over the dam and canal diversion of the Danube at Gabcikovo. Two EC-led commissions have brought the facts of the matter back to center stage, quieting the salvos of nationalist rhetoric. A compromise allowing full use of Gabcikovo and stipulating certain safeguards and standards is expected soon.

agreements, the two republics have

In the past, the lion's share of the Slovak Republic's manufactured products went over the Tatra and Carpathian mountains to the Czech Republic and the other Comecon countries. When a large-scale facility upgrading and renovation is completed, Bratislava will be one of Europe's major inland ports. The Slovak economy will be directly downstream from Rotterdam, the world's largest port. Although strongly oriented toward the West, the Slovaks will have a continuing the Slovaks will have a continuing vested interest in the Czech Republic's prosperity — they own 20 million shares in the Czechs' newly pri-

vatized companies. The Czecho-Slovak Republic was knowledge of the Slovak language. Visitors returning to Bratislava after a few years' absence are surprised at the city's sudden abundance of galleries, bookstores and literary cafes - and at the flawless French and English their owners often speak.

The Slovaks have long been skilled diplomats and soldiers. For 10 centuries, they served the Kingdom of Hungary, the Austro-Hungarian empire and the Czecho-Slovakian feder-

On Jan. 1, 1993, when Vladimir Meciar takes the oath of office as the country's prime minister, it will represent the first time in history that the Slovaks will be serving their own state. Terry Swartzberg

In the midst of this exercise in agreed to set up a customs union and Introducing the Slovak Republic

Area: 49,035 square kilometers Population: 5.26 million Population makeup: 85 percent Slovak, 11 percent Hungarian, Ruthenian and Gypsy minorities

Major cities: Bratislava (pop. 440,421), capital Kosice (pop. 238,454) Zilina (pop. 97,537) Banska Bystrica (pop. 78,321)

Prime minister: Vladimir Meciar Chairman of the National Council: lvan Gasparovic Deputy prime minister and minister of foreign affairs: Milan Knazko Currency: koruna (crown), floating and freely convertible. \$1 = 27 koru-

1991 GNP: 346 billion koruny Total industrial production (first

half of 1992): 175.6 billion koruny, up 19.3 percent over first half of 1991 Exports (first half of 1992): 40.9 billion koruny, up 14.8 percent over first half of 1991

Total work force (1991): 2.22 million Agriculture: 243,000 Industry: 753,000 Construction: 229,000

Useful Addresses: **SNAFID** Slovak National Agency for Foreign Investment and Development Manesovo Nam 2 851 01 Bratislava Tel.: (42 7) 847 219 Fax: (42 7) 849 806 Director: Radovan Peknik (Investment promotion authority)

Ministry of Economy Mierova 19 827 15 Bratislava Tel.: (42 7) 232 041 Fax: (42 7) 230 122 L'udovit Cernak, minister (also responsible for the ministries of industry and of trade and tourism)

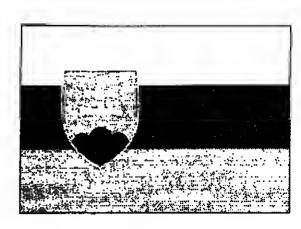
Ministry for Administration and Privatization of the National Property of the Slovak Republic Drienova 24 820 09 Bratislava Tel.: (42 7) 234 332 Fax: (42 7) 233 335 L'ubomir Dolgos, minister

The Slovak Chamber of Commerce and Industry Gorkeho 9 816 03 Bratislava Tel.: (42 7) 591 98 Fax: (42 7) 330 754

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The Transformation of the Economy

Slovakia is employing a wide range of measures to privatize its economy, once strongly concentrated on vertically integrated heavy industry and agricultural conglomerates. A new generation of companies and entrepreneurs is now engaged in building the country's highly decentralized private sector.

In a region currently swept by priva-tization doctrines, the Slovaks are pragmatists. Their official privatization program is unfolding briskly, and uses an equity coupon scheme originally formulated by Vaclav Klaus, then finance minister of the Czech and Slovak Federal Republic. Following the example of Éastern Germany's Treuhand authority, Slovakia has auctioned off 90 percent of its expansive retail sector to owneroperators. Foreign-controlled capital venture funds are given full access to the market and have bankrolled a number of young companies.

This broad base of business represents a sharp break with the past. After World War II, Slovakia's long centuries of subsistence agriculture and decades of on-again, off-again industrialization came to an abrupt halt. The newly founded Comecon needed an arms and beavy industry center, and Slovakia, relatively poor in resources but rich in educational and technical skills, was selected. A handful of huge conglomerates was created, including Bratislava's Kerametal and Omnia and Martin's ZTS Trust. Ten percent of the work force was directly or indirectly employed

by the defense sector. This reliance on passé and unpromising industries was one reason forecasters tended to view Slovakia's economic prospects with skepticism. Rising unemployment estimates of up to 11 percent in some regions and declining GDP—by 5 percent to 10 percent in some surveys—cemented this negative impression.

The latest facts, however, tell a story of growing business confidence and interest in the republic.

Over the last few months, various multinationals have made major investments in the area. These foreign companies, based in all industrial sectors and from 45 different countries, report two main reasons for investing in Slovakia. The first is "net unit costs," a term used by economists to describe how much it actually costs to produce an item and bring it to its end market. As compa-nies admit, it is hard to find a cheaper manufacturing base than Slovakia. According to a recent survey by The Economist, Czecho-Slovak wages are the lowest in Europe one-twelfth of those in Germany -'and are undercut only by China's among major industrialized coun-tries. Slovak machines and facilities are being brought up to Western standards and, in many cases, actually surpass them. The result, states Erich Kraicik, senior executive at the Slovak National Agency for Foreign Investment and Development, is products of good quality and "un-

beatable" prices. Moreover, Western companies are generally spared having to conduct costly vocational education programs for their new staffs. Says Gunter Thumser, the Austrian managing director of Henkel Palma, a Bratislava-based consumer products joint venture: "Aside from doing quite a bit of on-the-job training in Western marketing skills and administrative procedures, our personnel have proven to be highly qualified and motivated, as judged by Western standards.

There are any number of countries in which it is possible to produce

inexpensively. But thanks to geopolitical luck and a far-sighted policy initiative by the European Community. Slovak companies are able toavoid ruinous transportation and tariff charges. As a successor state to the Czecho-Slovak federation, Slovakia is set to maintain its associate membership in the EC. This mem-bership gives tariff and quota easements to such bread-and-butter Slovak products as textiles, clothing,

food and steel goods.
Says Ivan Gasparovic, chairman
of the National Council: "We will be a serious partner for the West in terms of trade and foreign investment. Slovakia will continue to move toward a free-market economy and reorient its trade. Let me emphasize: we are not 'moving' toward a place in Europe. We are already an integral

part of Europe."

The Bratislava metropolitan area, the heartland of Slovakia's new industrial base, is right on the Austrian border. Thanks to the Rhine-Main-Danube canal, Bratislava is now connected to the North and Black Seas. Although less rapid, transport on the Danube costs one-quarter the

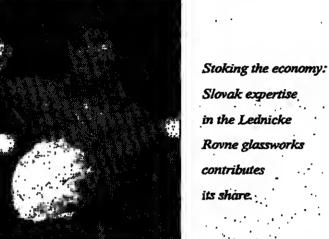
Csanda is mayor of Nove Zamky, located in the heart of Slovakia's fruit belt, some 25 kilometers (15 miles) north of the Danube and the Hungarian border. Through large-scale personnel buyout schemes and the setting up of

is not limited to Bratislava. Ondrei

joint-stock corporations owned by the general public, nearly all of Nove Zamky's economy is going private. This includes its food-processing, machine-building and electro-technical companies as well as its farms.

As Mr. Csanda explains it, personnel working in the Nove Zamky district's collective farms decided against a return to minuscule private plots. "Simply not efficient for mod-ern agriculture," states the mayor. Instead, following the trend of the times, the farmers set up joint-stock companies.

In their official publications, Slovaks distinguish between the mis-leadingly titled "standard" and 'nonstandard" privatization. Standard privatization involves the purchase of a state-owned company or some of its assets from the National Property Fund by sale or auction.



price of rail transport and one-eighth that of shipping by truck, Most of the estimated 7,000 com-

panies now constituting Slovakia's private sector produce for their domestic market, where cheap wages and high productivity allow them to compete successfully against im-

A most hopeful sign is the native affinity Slovaks seem to have for entrepreneurship. Says Leighton Q.J. Klevana, director of Bratislava's Czech & Slovak American Enterprise Fund; "We've had 2,000 inquiries and 400 serious applications since we got started." Mr. Klevana, an American lawyer and consultant of Slovak extraction, has been managing the CAEF's Bratislava office since it opened its doors in July 1991. Founded by the U.S. government and endowed with \$60 million over three years, it was given a clear-cut and difficult mission: fund new small and medium-sized companies by providing loans or taking equity stakes. To date, Mr. Klevana's office has dispensed \$10 million to 21 companies whose activities range from manufacturing metal gaskets and

motorcyles to processing food. But the spirit of entrepreneurship

According to the latest figures available, 300 standard privatizations have taken place, raising \$533 mil-Nonstandard privatizations in Slovakia involve nearly all the country's working population of 2.5 million, who now own shares in more than 500 joint stock companies worth almost \$3 billion. The Slovaks became citizen-shareholders by purchasing vouchers, coupons that could be exchanged for shares in

companies of their choice. I nese shares can not yet be trac ed, as their owners are obliged to hold on to them until Jan. 1, 1994.

Enter René Vochyan and the Bra-tislava Option and Futures Stock Exchange. This Swedish-Slovak joint venture is based on a simple and ingenious idea. The Slovak economy needs liquidity, and the best way to get money in circulation is to find a way for its shareholders to cash in their stocks now. For example, the shareholders agree to deliver their shares on Jan. 1, 1994 at a certain price, the buyers amass considerable equity stakes and the exchange's shareholders earn money from selling scats at their exchange.



Bratislava residents sign petitions in support of the completion of the Gabcikovo hydroelectric power plant.

Cleanup: Land, Air, Water and Industry

Slovakia's environment has suffered from decades of abuse. As economic development was long the top priority, few steps were taken to protect the environment. With limited funds available, the government now faces a doubleedged challenge.

"The air, water and earth are polluted, the forests are damaged and the land is devastated," leading to a "critical state of health of the population," said Slovak Minister of the Environment Jozef Zlocha at a recent environmental congress in Vi-

Over time, inefficient production methods, outdated technologies, high energy use and a general disregard for the ecological balance of the region have taken their toll.

Government statistics show how big the cleanup task will be. The Slovak Republic emits 1.6 million tons of noxious fumes into the atmosphere annually, particularly from its metallurgical, chemical, construction and cellulose industries. Only 25 percent of the groundwater can be used without treatment. Most sewage does not flow through public sewage systems. A number of large towns do not yet have any purification plants. Half the forests, which make up 40 percent of the republic's territory, are severely damaged. Although 40 million tons of garbage are produced each year, including close to 500,000 tons of toxic waste, there are only two large incineration plants. Around 3,000 illegal dumps exist.

"Public awareness of the seriousness of the problem is limited, confined only to a few small groups," says Helena Vartikova of SZOPK, the Slovak Center for Environmental Public Advocacy, the republic's largest environmental organization. "At this point, most Slovaks are too concerned with political and economic issues to make the environment a top priority."

As a case in point, the republic intends to generate as much electricity as possible from domestic

sources. Despite widespread international opposition, particularly from Hungary, Slovakia began operating the hydroelectric power plant and dam at Gabcikovo, which entails a diversion of the Danube. Environmentalists fear that the dam, which will produce 720 megawatts of electricity, will upset the ecological bal-ance in the Danube region, destroying wildlife, flooding valuable land along the river banks and endangering the area's vast underground water supplies. The government denies the hazards, insisting that it has invested \$75 million in scientific and

feasibility studies alone. The huge nuclear power complex at Jaslovske Bohunice generates half of the republic's electricity. Two of the four plants, which produce 440 megawatts each, are considered unsafe and technically antiquated. Although international experts are pressing for Slovakia to close them down, the government wants to modernize them.

A number of positive steps have been taken. In 1992, the Environmental Ministry was set up, along with 160 local environmental offices and an information and monitoring network. The government is in the phase of analyzing the situation and setting priorities. It has set up the Slovak Environmental Fund and is busy developing a comprehensive environmental program, designed to reduce pollution from industry and traffic, increase agricultural efficiency and switch to alternative energy

The government is committed to fulfilling Article 80 of its association agreement with the European Community on cooperation in the area of environmental protection. Legisla-

tion, including an environmental act, has been passed, setting fines for air polluters and requiring new sources to meet the best achievable pollution levels within five years. Five national parks have been created.

Numerous individual projects are under way: a desulfurization project at the Novaky power plant, modernization of the thermal station at Kosice and a five-to-seven-year program to cut emissions in the metallurgical sector by 50 percent.

It takes time to restructure industry, change individual habits and develop effective legislation and environmental education programs. Like much of Eastern Europe, Slovakia simply does not have the financial resources to implement many large-scale projects. Expenditures for 1992 are estimated at around 3.4 billion koruny (\$130 million).

Mr. Zlocha admits that successful action "depends much on the development of the economy and structural changes in business." Furthermore, the government is hoping to attract financial assistance for environmental projects from Western sources, particularly the European Community, the European Bank for Reconstruction and Development and the United States. It is pushing for intensified regional cooperation with its neighbors in Central Europe.

It is also looking for Western know-how to develop effective strategies. For example, the recent Vien-na Conference on the Ecological Reconstruction of Central and Eastern Europe, sponsored by Global 2000, an Austrian-based environmental group, adopted a special "Action Plan' to expand cooperation of East-West governmental and nongovernmental organizations. C.S.

Western Investors Discover Slovakia

The Slovak economy, once geared to the Soviet market, is being reoriented. The West accounted for 56 percent of its trade in mid-1992.

Foreign investment in Slovakia is still small compared with that in Hungary, Poland or the Czech Republic. Although Slovakia has a population of 5 million, half that of the Czech lands, it accounted for only 13 percent of the estimated \$1.1 billion that poured into the country by mid-1992, and 28 percent of total exports. Less than a dozen companies pro-

pose to commit more than \$10 million each to their Slovak ventures. As of June 30, the number of joint ven-tures in Slovakia was 2,129 as opposed to 7,657 joint ventures for the Czech Republic. Austria accounts for 40 percent of joint ventures with foreign participation. In terms of capital invested, Germany, Austria and the United States have been the top investors.

There are encouraging signs that foreign investors have gained confidence in the Slovak Republic. Foreign investment through joint ventures or privatization has risen to \$200 million, and represents close to 70 percent of the capital of newly established companies. In May 1992, the French chemicals group Rhône-Poulenc acquired a majority stake in Chemlon, one of the republic's biggest chemical factories. Electronics giant Siemens of Germany pur-chased a share of cables firm Kabelovna, a key element in the company's production plans for the Danube area. Swiss confectionary producer Jacobs Suchard established a joint venture with Figaro Bratislava, a producer of candies. K mart, Volkswagen, Rhône-Poulenc, Mölnlycke and Henkel lead the list of top individual investors. Nestlé, MG, Samsung Whirlpool, IKEA, Coca-Cola, Caterpillar, Alcatel and Hoechst are among the other prominent names that have opted for Slovakia, as have other German and especially Austrian companies such as Maculan, Julius Meinl, Glassner and Wienerberger.

In the first half of the year, Slovakia had a positive balance of trade, increasing its overall exports by 7.4 percent while reducing imports by 20.4 percent. Although industrial output declined and unemployment increased, the republic succeeded in increasing productivity and currency reserves and cutting the inflation

value a Slovak location," says Dag-mar Repcekova, a top official at the Ministry of Economics.

Slovakia hopes to capitalize on its highly educated, skilled work force and low labor costs, as well as its stable currency, low inflation rate and comparatively low foreign debt. Its geographical location in the heart of Central Europe, along the Dan-ube near Vienna, makes Slovakia an attractive base for both East and West European markets.

So far, foreign interest has focused on processing and construction, retail business, finance and insurance. A number of other sectors are considered particularly ripe for foreign investment, including chemicals, fuel and power industries, banking, tourism, textiles, energy, metallurgy and mechanical engineering. The chemical and metallurgy sectors account for a third of total industrial production in the republic. A half-dozen Western companies have put in bids for a 14 percent stake in the huge Slovnaft refinery complex.

The cornerstone of Slovakia's efforts to attract foreign capital are plans to offer far-reaching tax concessions, including two-year tax holidays for all companies with foreign participation, rising to five years for arms-conversion or ecology-related projects, and up to 10 years for investments in banking, high technology and greenfield projects. Up to 00 percent foreign ownership, full repairiation of profits and capital in hard currency and tax holidays to new businesses with 30 percent or higher foreign participation are further incentives.

Because 80 percent of the joint ventures and three-quarters of foreign capital in Slovakia are concentrated in Bratislava, regional development programs will be carried out. The government intends to apply for membership in the International Monetary Fund and World Bank. A Slovak National Bank will be set up once Slovakia becomes independent.

Concludes Zdenek Lukas, Czechoslovak expert at the Vienna Institute for International Comparative Studies: "The challenge for Slovakia is to establish the legal framework for a free-market system, restructure its economy and give foreign investors confidence in future developments. It must also convince the West that it is serious in moving toward a parliamentary democracy." Clifford Stevens

Progress Toward Settlement of Gabcikovo Dam Dispute

A European Community-led consensus has emerged on how to settle the dispute over Slovakia's Gabcikovo power station and canal. It envisions the full operation of the facility on the Danube within certain limits designed to ensure the protection of the riverside environment and the national interests of both Slovakia and Hungary.

Both Germany's Rhine-Main-Danube canal and the facility at Gabcikovo in Slovakia are recently completed, integral parts of Europe's longest water artery. Both represent the age-old trade-off between eco-nomic progress and environmental impact. Each uses a rechanneled river and a canal to create a navigable waterway; for each, the waters of the Danube and its tributaries serve as a source of power and irrigation.

Whereas the 171-kilometer (106mile) Rhine-Main-Danube canal was inaugurated on Sept. 25, 1992 in a splashy ceremony featuring promi-nent politicians and world media coverage, the commissioning of Gabcikovo, 25 kilometers long, at the beginning of November 1989 capped a three-year-old controversy.

In 1989, Hungary pulled out of its 12-year-old treaty with Czechoslovakia to build a two-dam, two-canal complex centered on Gabcikovo, a town 40 kilometers southeast of Bratislava. The new, popularly elected Hungarian government declared that the dam and the canal attached to it would divert so much water from the "old" Danube that the riverside environment would dry out and groundwater levels would sink, with disastrous impact. The Czecho-Slovak and then the Slovak governments went ahead with the plan, pointing out that the project was nearly completed, the money spent and the environmental damage, such as it was, already a fact. The Hungarians saw the decision as a threat to their national sovereignty. A bilaterally controlled waterway was being unilaterally rerouted.

In the following months, several key Slovak arguments were raised: Since the Danube is shallow and meandering for much of its length, and as its water levels vary widely with the seasons, it would be unfit for ship traffic should channeling schemes not be undertaken. Austria, for instance, has built eight facilities similar to Gabcikovo; a ninth is under construction. Were Gabcikovo not there, it would be necessary to

build something else. • The Danube's increasing propensity to flood makes raising its river banks a necessity. In this century, according to Julius Binder, general director of the Slovak water management authority, there have been six catastrophic floods, as opposed to one in the 18th century. The cause: the felling of Alpine forests

for ski slopes and roads. By providing an extra route for floodwaters, Gabcikovo can reduce the danger of floods. This extra volume of water, argue the Slovaks, would also defuse Hungarian claims that the dam would radically dry out the ambient environment.



In November, the press was given a preview of the Gabcikovo dam.

Still, as Mr. Binder admits, a project like this has a major impact on the environment. While disputing Hungarian assertions that groundwater levels had dropped precipitously, enough to dry out local wells, Mr. Binder readily admits the need for a variety of conciliatory mea-

In fact, Mr. Binder states, these measures have already been taken. Some 2,000 kilometers of canals have been dug on both sides of the Danube, enough to assure the supply of water to farmland and natural

Meanwhile, the power generated by the Gabcikovo dam will presumably allow the Slovaks to shut down at least one highly polluting conventional power plant. It has even been suggested that Gabcikovo could serve as a substitute for the dangerfraught nuclear power plant at Jaslovske Bohunice.

Enter the EC and its two commissions, both made up of independent experts and representatives of the Czech and Slovak republics and Hungary. Meeting in early autumn, the first commission suggested continuing with the work of Gabcikovo in the interests of flood protection and ship traffic. According to recent reports, the second commission's findings will recommend the operation of Gabcikovo under certain conditions, including the maintenance of a water level 4.5 meters above the "old" Danube's riverbed and various other safeguards designed to respect national and environmental rights.

Backed by broad international support, these findings could very well end the Gabcikovo dispute.

T.S.

The Slovak government is moving to entice further foreign investment, which is considered crucial to increasing exports, gaining access to Western know-how and reducing unemployment. "Attracting foreign capital is a top priority. We are confident that investors will learn to

Portrait of Bratislava, at Long Last a National Capital

As the capital of Slovakia, Bratislava was long overshadowed by Prague to the north, Vienna to the east and Budapest to the west. During its thousand-year history, the city was ruled at one time or another by all three.

When Slovakia becomes an independent nation upon the breakup of the Czecho-Slovak federation on Jan. 1, 1993, Bratislava will have a chance to prove itself as a European national capital.

It will be the first time that the city will serve as the center for a self-governing Slovak people. For the last 74 years - except for a brief period during World War II - Bratislava has been Czechoslovakia's second city, after Prague. Before the Czech federation was formed in 1918, Bratislava was under Budapest's wing, near the western border of Hungary. Even when Bratislava itself was the Hungarian

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capital, from 1536 until 1783, it was mostly dominated by Austria's Habsburg dynasty.

The ultimate symbol of the city's 10 centuries of foreign domination is the Bratislava castle. Named after a fifth-century Slavic leader, Bretislav, it was built as a hill fort for the

Although the castle has been rebuilt several times, it still stands majestically on a hill between the Lesser Carpathian mountains and the Danube. With its four distinctive corner towers, it remains the principal landmark for Bratisiava's 450,000 residents.

Down below, many Renaissance and Baroque

buildings in the quaint Old Town are being restored, including the palaces that once belonged to aristo-cratic families of Austria-Hungary.

New cafés and restau-rants are competing for customers, while traditional institutions, like one of Europe's largest beer halls, the Stara Sladovna (Old Brewery), still serve a packed house on week-

There is major change as well, especially in Bratislava's transportation infrastructure. One project is the building of a city subway system. Plans have already been mapped out for the proposed 43-kilo-meter (27-mile) network.

The first line, seven kilometers long, will connect downtown Bratislava with the district of Petrzalka, a gigantic complex across the Danube that houses 150,000 people. The entire subway is targeted to open in 1997 at an estimated cost of 100 billion koruny

(\$3 billion). France's Matra Transport and French banks are currently discussing the possibility of a joint venture with the Slovak government in order to help finance and build the sys-

Another important pro-ject already off the ground

is the expansion of Bratislava's Ivanka Airport. This includes a new terminal being erected next to the present two-gate build-"The airport is con-

structing an international

terminal with three gates," says Dusan Podhorsky.

general director of Tatra. Air, Slovakia's first privately owned passenger airline and one of the airport's main carriers.

According to Mr. Podhorsky, the volume of passenger traffic at the airport is expected to increase from 300,000 this year to a half million in 1995.

Because of a growing number of West European companies interested in doing husiness in Bratislava, Tatra Air has recently begun operating regularly scheduled flights to Zu-rich, Frankfurt, Munich, Stuttgart and Berlin. The airline also provides an air taxi service.

Improving the transpor-tation infrastructure inevitably means strengthen-ing ties with Vienna. The Austrian capital, only 64 kilometers away, once considered Bratislava -"Presshurg" in German — a suburb. That was at the beginning of this century. when the "Pressburgerhahn" provided quick train transport between the two cities.

Part of this line was dismantled over 50 years ago. Today, the only direct passenger rail link between Bratislava and Vienna is a daily, low-capacity service. Officials of the Slovak State Railway and the Austrian Federal Railway are planning to upgrade the line as well as build modern commuter lines that would increase both capacity and frequency.

At an estimated cost of 1.5 hillion koruny, construction is set to begin in

"The new lines would provide fast, easy connecnons between the cities,' says Hannes Swoboda, Vienna's councilman for urban planning and trans-



cy and attractive hotels and restaurants, Slovakia's extensive natural and cultural attractions are drawing more and more travelers from the West.

The carved church at Hervartov, with its soaring wooden vaults, was until recently known in the West only through a few lavishly illustrated coffeetable books and a smattering of travelers' tales.

The Gothie style took two centuries to make its way eastward across the length of Slovakia and over the Tatra and Carpathian mountains to Hervartov. There, in the late 15th century, local crafts-men expressed the dignified Gothic forms in the most abundant and inexpensive material the region had to offer: wood. Every hundred years or so, the "log cathedral" was renewed by the craftsmen's descendants, with fidelity their ancestors' design.

For the Western world,

the church at Hervartov like the vast expanses of the Mala Fatra national park, the fortified promontories of the Spis region and Slovakia's other natural and cultural attractions were, until three years ago, largely inaccessible to tourists from the West.

Just getting to Bratislava used to mean overcoming exasperating, restrictive visa and currency formalities and tolerating antiquated and uncomfortable methods of transportation. The farther one went, the fewer restaurants, hotels and international telephone lines were

East Europeans, of course, did not lack opportunities to explore Slova-

available.

Art Nouveau spas, whitewater rafting

kia. In fact, 15 million people a year went Alpine climbing and hiking in the High Tatras, whitewater rafting in the Dunajec river and spelunking in Dobsinska l'adova jaskyna. Such cities as Levoca and Bardejov - honored by UNESCO for its historical and cultural value — filled in for Siena and Carcas-

But, Slovakia's prime tourist attractions — and one of the prize perks in the entire East bloc were 23 towns bearing such names as Turcianske Teplice and Strbske Pleso. These spas offered more than medicinal waters, mud packs and massage treatments. Their Edwardian and Art Nouveau buildings and intricately landscaped grounds brought visitors to a world far removed from that of centrally planned high-

Piestany, Slovakia's leading spa, is located on an island in the Vah River 145 kilometers (90 miles) from Vienna and 83 kilometers from Bratislava, Its main building, the Thermia Palace, was completed eight decades ago. This Belle Epoque jewel, whose sumptuous decors are the equal of anything at Baden-Baden or Bath, has a waiting list for rooms that is several months long.

"About one-third of our 35,000 guests a year now come from abroad," reports Jan Sipos, the spa's sales manager. "We're at 61 countries and count-

While the revolution brought only marginal changes to Piestany — a change in corporate status and even more demand from abroad - it has refashioned much of the rest of the country. The highway running northeast from Bratislava toward the

Michael's Tower, in Bratislava. Tatras, once the province of overloaded trucks and Skodas, is now populated with those harbingers of tourist discovery: cars bearing the D and A stick-

ers of Germany and Aus-

tria - as well as spanking

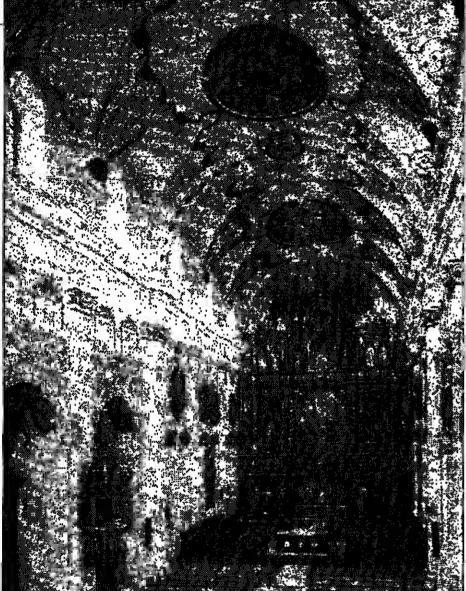
new gas stations advertis-ing lead-free gasoline to serve them. This growing popularity arouses mixed feelings in Bratislava's small and liveexpatriate community. During walks through the

city's captivatingly jum-bled historical and villa quarters, the visitor's attention is proudly drawn to treasures from the past and present: from the castle that was for three centuries the seat of Hungary's kings to new automatic currency-ex-

change machines. In the subterranean

vaults of the New Model club, however, the worry is voiced that Bratislava may soon become a second Prague, choked with tourists driving up prices and spoiling the sense of intimacy that out-of-the-way places offer. "I know of no place in which the 17th and 18th centuries come so completely to life," says Mark Templar, a teacher of English from Los Angeles. "It would be nice if it stayed that way."

Most Slovaks themselves do not share this concern. After four decades of political isolation. the country's residents are eager to inform visitors of the country's attractions, from ski resorts in the Tatras to English-speaking hoteliers and the acceptance of credit cards.



The university church in Trnava with its early Baroque altar.

The Culmination of a 1,000-Year History

The Slovak Republic will become an independent state on Jan. 1, 1993. For many citizens, the new era represents a turning point in a turbulent, thousandyear history. Over the centuries, Hungarians, Czechs, Germans and Soviets have all left their mark on the Slovak nation.

Slovak history is often traced back to the seventh-century Slavic King Samos and the Moravian Empire of the second half of the ninth century and its three dukes, Mojmir, Rastislav and Svatopluk. Hungary's founder, King Arpad, subjugated and integrated what is now Slovakia as "Upper Hungary," a situation that remained basically unchanged for 900 years. The agrarian Slovaks were politically and culturally suppressed, exploited and assimilated. The ruling class was predominantly Hungar-

In 1526, the Austrian Habsburg monarch Ferdinand acquired the Hungarian crown and thus Slovakia, following the first of the Turkish invasions of Europe. Although the Slovaks had limited power, geographically the region played a key role in Hungarian history. Presshurg, today Bratislava, became a leading Central European metropo-

The Slovak nationalist movement emerged in the 19th century

lis, the site of many of the major events in Hungarian history: the Counter-Reformation, sessions of the Hungarian Parliament and 11 imperial coronations in the Austro-Hungarian empire, the latest in 1830. Kosice, in eastern Slovakia, was the city of Hungary's Catholic martyrs; in Tyrnau, the first Hungarian university was

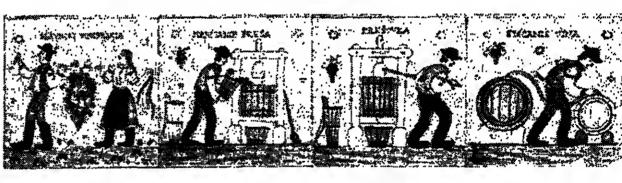
During the Revolution of 1848, Hungary's attempt to free itself from the grasp of the Austrian rulers in Vienna was not supported by Slovakia, which in turn declared itself independent of Hungary. A special Slovak legion even helped Austrian Emperor Francis Joseph I to put down the Hungarian rebellion. The monarch granted the Slovaks a limited degree of autonomy.

The Slovak nationalist movement emerged in the 19th century, connected to such names as Ludovit Stur and Andrej Hlinka. In the mid-1800s, the Slovak language was first codified. A Slovak cultural life developed, and the first Slovak newspapers and books began to appear. In 1863, the Matica Slovenska was founded, a Christianoriented cultural and nationalistic organization.

Slovak hopes for complete autonomy came to an abrupt end in 1867, when Francis Joseph I and Hungary reached a comprehensive agreement which, among other things, gave the Hungarians free rein in their own territory. The Magyarization of the region was brutally enforced. Slovakia was impoverished, and hundreds of thousands emigrated ahroad. The Slovaks had neither political representation, higher educational facilities nor

Modern-day Czechoslovakia was formed out of the ruins of the Austro-Hungarian Empire by the post-World War I treaties of St. Germain and Trianon. Czech and Slovak emigrants met in Pittshurg, agreeing to form a new nation based on the principle of maximum autonomy for the different regions. In late 1918, the Czech republics of Bohemia and Moravia, which had belonged to the Austrians, were federated with "Upper Hungary," then to be known as Slovakia. The new nation was also granted the "Carpathian Ukraine."

Czechoslovakia's founder, Tomas Masaryk, aimed at creating a "Slavic Switzerland." in part to create a solid Slavic majority against the Germans in the country. He campaigned for the idea in Washington, Paris and London. The victorious Allies saw the new nation as a strong counterweight to Germany to the west and Hungary to the east. Despite American President Woodrow Wilson's proclaimed right to self-determination, the Czech constitution of 1920 provided no guarantees for Slovak autonomous rule. Many Slovaks went along with the idea of the



new nation as a means of resisting Hungarian subjuga-

The problems that arose between Czechs and Slovaks were not confined to linguistic differences. The Czechs were cosmopolitan, modern Europeans, with a high concentration of industry and a rich cultural and political tradition. The Slovaks, on the other hand, were primarily a rural, agricultural people with limited political experi-

"For the 70 years of its existence, Czechoslovakia was an uneasy union," says University of Vienna Professor Erika Weinzierl. "The Slovaks were far better off than under Hungarian rule. But they had the impression that they were treated as second-class by the Czechs and therefore at a distinct disadvantage."

Prague reacted to the union hy sending in teachers and officials. To many Slovaks, it was an act of colonialism, replacing Hungarian with Czech domination. For the Czechs, it was seen as a necessity, a counterweight to the Magyarization of the territory. The middle class of Slovak lawyers, teachers, doctors and other professions needed to run the country was virtually nonexistent. Despite domination by the Czechs, the Slovaks did enjoy numerous privileges they had not had under Hungarian rule: political representation, their own schools, a university in Bratislava and newspapers and magazines.

Many Slovaks considered the new nation to be a historical idiosyncracy, a Czech-controlled artificial entity. Slovakia's ambitions to become independent intensified in the period 1918-38, led by the Slovak People's Party and the Catholic Church. The 1938 Munich accords granted Sudetenland in west Bohemia to Hitler's Germany, whereas Slovakia lost parts of its eastern and southern territory, as well as the Carpathian Ukraine to

In 1939, Bohemia and Moravia became German protectorates, while Slovakia experienced a brief period as an "independent nation" until 1945. Catholic priest and nationalist leader Jozef Tiso traveled to Berlin in 1938. Historians say Tiso was given an ultimatum by Hitler to declare an independent state immediately or face invasion by Hungary.

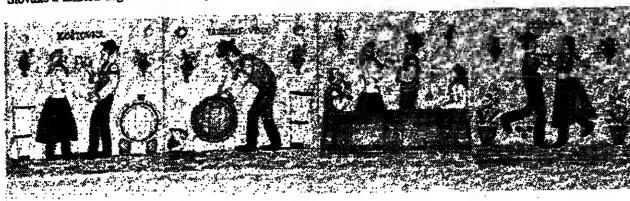
The newly formed clerical-Fascist state was under German hegemony. Thousands of Slovaks were sent to the front to fight for Germany, and the government actively promoted the deportation of 60,000 Jews to concentration camps. Though many Slovaks did not agree with the puppet government, the majority supported the creation of an independent state.

Tiso is still widely admired as a nationalist protecting Slovak interests, with no other choice but to bow to Hitler. Still, the Slovak parliament recently declared August 29 a national holiday commemorating the unsuccessful 1944 revolt of the Slovak army against the Tiso regime and the Third Reich, which was followed by German occupation. Czechoslovakia was restored in 1945, and Tiso hanged in 1947.

In 1948, the Communists took power in Czechoslova-kia. Slovakia was granted broad rights within the federa-tion, sending legislators to the central parliament in Prague, and economic development was accelerated. Its industrial and economic policies, however, were determined by Soviet needs. Slovakia became part of the "Czechoslovakian Socialist Republic." Ironically enough, Slovaks played a key role in the country's recent history. The 1968 Prague Spring, which resulted in the invasion by Warsaw Pact forces, was led by Slovak Alexander Dubcek, and put down by fellow Slovak Gustav Husak.

Czechoslovakia's "velvet revolution" of 1989 and the ascent of dissident writer Vaclav Havel to the presidency did not dampen Slovak nationalism. In addition to historical animosities. Slovaks have been resentful of what they consider to be unfair treatment by the central government in Prague. They say Slovakia carried an undue share of the burden of the economic reform program led by Finance Minister Vaclav Klaus, and were at a disadvantage in terms of economic and cultural development.

The Czech and Slovak republics were unable to agree on forming a union or confederation. In June 1992, Vladimir Meciar's Movement for a Democratic Slovakia party received a clear mandate from voters, winning 74 of the 150 seats in Slovakia's parliament. Despite broad opposition to an open split, Slovakia declared itself a sovereign republie in July and adopted its own constitution in September. Negotiations between Mr. Meciar and Czech leader Vaclav Klaus in October paved the way for a smooth transition, with a series of bilateral agreements to be worked out to regulate relations between the two



By Susan G. Hauser

ONG KONG - Before I could grab the rail to keep from hur-tling over the brink, an attendant stepped forward and shoved me. l screamed, but my speeding body passed my voice going down. I descended so quickly and steeply that my heart seemed about to fly out the top of my bead. I kept on scream-

When I hit the pool with a splash, I realized two important things: I was still alive, and my swimsuit was hiked up so high between my legs that I was decidedly indecent. Quickly regaining my senses and my deco-rum, I greeted my two children, who also had just come down a giant waterslide at Hong Kong's Water World.

l, who am scared of heights, had just climbed a tower about the size of a skyscraper in order to plunge down what I remember as an almost vertical waterslide.

Ah, the things we do for our kids, If I had Ah, the things we do for our kids. If I had traveled to Hong Kong in the company of adults, rather than my 9-year-old daughter and my 11-year-old son, I might not have meluded such a death-defying feat on my itinerary. As it was, we planned our week around activities that the kids would enjoy

and that I probably wouldn't mind.

My kids said they would rather have gone
to Disneyland —that is, until I showed them
a brochure for Ocean Park and Water
World. Ocean Park is Southeast Asia's largest amusement park, with plenty of rides and attractions such as a shark aquarium, butterfly bouse and performing animals. Next door is Water World, with swimming pools,

wading pools, wave pools and lots of waterslides, either curvy or plunging straight down.
We stayed at the YMCA. My thinking was that a trip halfway around the world would seem less daunting to my children if they knew there was something familiar, like a locker room, at journey's end. Besides, the trip, sponsored by our local Y, had a price tag suited for members like me.

Doing Hong Kong child-style was all right

with me, from our very comfortable accom-modations to our frenzied shopping trips to enlarge the kids' troll doll collections. In fact, it was probably only that skyscraper waterslide and the rollicking ride in a cable car (while a typboon brewed offshore) that dampened my enthusiasm.

I liked chasing turtles in the fishpond at Kowloon Park. I liked barreling up the stairs of the double-decker buses to get the best seats. I liked counting the fancy cars that pulled up in front of the big hotels. But mostly I liked turning around on a busy sidewalk and seeing that my children were

OR a single mother whose duty was to keep two curious children in tow while wending our way through a city of 6 million people, Hong Kong was as manageable as an art museum on a sunny day. Although one of the world's most densely populated areas, it is so neat and orderly that were it not for the tropical vegetation and the hot, burnid air, l might have been persuaded that we were in

This was most obvious when we rode the or mass Transit Kahway. M dren had oo previous experience with subways, but I was prepared for a shoving match while boarding and a rude expulsion at our destination. I chided myself for not taking along a couple of those child leashes, just to make sure that if the kids were whisked off to the wrong train, I'd be right

Instead we found ocat rows of yellow lines painted at right angles to the edges of the platform. Every few rows there were wider spaces with painted exit arrows. The people awaiting a train lined up single-file in their rows. After the train arrived, they continued standing patiently in the rows until those disembarking had followed the exit arrows off the train. Only then did they move forward, still in lines, to board.



A bird-lover giving his pets some fresh air in Victoria Park.

On the subway and on the street, there was no shoving, pushing or even staring. The courtesy of the people allowed me to relax my usual vigilance and enjoy a pleasant vacation with my family. In truth, the only time I was startled on the streets was when a chorus of cellular phones rang from the pockets of passing pedestrians. We could have spent our entire week just riding public transport, and my children would never have been bored. There is much to choose from ferryboats, sampans, trains, trams and bus-es. We sampled just about every mode but rickshaw. Rickshaws, which can be found in excess at the Star Ferry terminal oo Hong Kong Island, are strictly for tourists. Cer-tainly, anyone who expected to actually get anywhere would oever hire ooe. The drivers barely make it around the block for a fee of

up to 100 Hong Kong dollars (about \$15). Much more reasonable than the rickshaw drivers' fee is the price of a ferryboat ride. For I Hong Kong dollar, about 15 cents, or another cent for first class, we got a glorious, eight-minute ride across the busy harbor that separates Hong Kong Island from the Kow-

We combined ferry, bus, funicular railway and subway for a full day of exploring Vic-toria Peak and the nearby Zoological and Botanical Gardens. Outside the ferry terminal on Hong Kong Island we boarded a bus traveling to the top of Victoria Peak, Hong Kong's highest point, and the location of some of the most luxurious homes in the

colony. As the bus labored up the steep hill, passengers' beads craned when we passed the palatial bome of the luckiest man in Hong Kong. He not only enjoys a view of the harbor from Victoria Peak but also has a Rolls-Royce and a license plate with number 8's all in a row. To the superstitious Chinese, 8 is the luckiest number. Apparently he was rich enough to outbid all the other car owners who wanted the plate.

HE number 8 worked in my children's favor, too. One day I insisted that they try Chinese food, which they had managed to avoid by ducking into the closest McDonald's or But that particular date, on the Chinese calendar, was loaded with 8's, so it was considered a lucky day to get married. Lucky for my kids, every Chinese restaurant we visited was fully booked with wedding par-

I confess that going to Hong Kong was totally my idea. I wanted to see the place before 1997, when this British territory will revert to Chinese rule. The kids weren't so sure that being a part of history was such a bot vacatioo idea. Furthermore, they were convinced that this was just another plot to trick them into eating strange food.

Susan G. Hauser, who lives in Portland, Oregon, wrote this for The New York Times.



By Roderick Conway Morris

OME -To dub or not to dub has never been the question in Italy --or oot until now. For decades every foreign film entering the country has been dubbed into Italian, with subtitled versions appearing on cinema and television screens only once in a blue moon. Less well known is the fact that Italian filmmakers also have habitually dubbed on the entire Italian soundtrack after shooting has been completed - frequently using voices other than those of the actors on the screen. (Even a star like Claudia Cardinale, for example, in the Italian version of Visconti's "The Leopard," is not, as it were, herself when it comes to the soundtrack.)

The original insistence on dubbing all forcing filter may detect here.

eign films may date back to Mussolini's chanvinist nationalism, but why were post-war Italian directors so devoted to dubbing the local product?

One factor was the nature of equipment they were using," said Stephen Natanson, a young director and graduate of the Centro Sperimentale di Cinematografia, Cinecitta's film school. "A lot of it was basically war surplus, and most cameras were so noisy it

was impossible to record live sound." So, whereas many a Hollywood star of the silent era came a cropper with the advent of the talkies — as swashbuckling macho heand vampish femmes fatales to have voices like dentists' drills — Italian directors could

merrily go oo casting on appearance alone. Knowing that the voice could be replaced. often by stage actors judged too old or insufficiently attractive for the screen, "directors could afford to adopt the attitude: 'She's got a beautiful body, even if she doesn't know how to talk, how to perform with her voice." said Paolo Biondo, the general manager of International Responsibility. ager of International Recording in central Rome, Italy's busiest single dubbing and post-production studio, which bandles around 120 foreign and 30 Italian films annually (out of a total of about 350 shown in the peninsula's cinemas).

ELIANCE on post-production sound was given an additional push, said Biondo, by the arrival of the phenomenon of international co-production, where actors from half a dozen countries might end up speaking their own languages on the set, to be dubbed

afterward into the languages of the various countries where the film was to released.

"In the 1960s and '70s," Biondo said. "which were the 'swinging years' of Italian production — of Fellini, Visconti and others -1 would say that a bundred percent of the pictures were completely re-voiced after-wards."

Of what Biondo called the "dubbing countries" (that is, France, Germany, Italy and Spain), Italy has, he said, by far the biggest industry with something like 1,200 dubbers. Dubbing a foreign-language work, from casting the "voices" to finished print, takes four to six weeks and costs an average of \$50,000.

Professional dubbers, many of whom are the children of dubbers and who, unlike their colleagues in other countries, seldom do any other acting work, make big money. An in-demand dubber can easily make \$200,000 a year, and one like Ferruccio Amendola, who "voices" Al Pacino, Dustin Hoffman, Sylvester Stallone and Robert de Niro, is reckoned to earn some \$4 million.

"Dubbing," said Stephen Natanson, "has become the most important part of the film industry in Italy. It's become the motor

that's running it."
Yet the dubbing juggernaut, after years of trundling inexorably on its way, is now being scriously challenged.
"It's become fashionable," Natanson said,

"for younger directors to say they're going to shoot live sound —though there is the problem that Italian film crews don't know how to keep quiet on the set and are in the habit of talking during takes." Biondo agreed that the new generation

was turning away from the old system; "A director like Fellini wouldn't choose production sound even if be had the best possibili-ties to get it. That's not his art. He likes to change things, to put words into people's mouths without them even saying them. He doesn't even want the actors to know what they're going to say next. Whereas a film like Gabriele Salvatores's "Mediterraneo" (which won an Oscar for best foreign film) was substantially shot with live sound."

At the same time there is evidence of a subtle shift toward the Anglo-American as-sumption that what you hear ought to be what you see. Gina Lollobrigida caused a rumpus when she alleged that Francesca Dallera, her voluptuous co-star in a televi-sion version of Moravia's "La Romana," had been dubbed by another actress. And the recent revelation that the outside scenes in the last films of Toto (Italy's Charlie Chaplin) had been dubbed by an anonymous substitute — not because the actor's voice had deteriorated but because his eyesight became so poor he could oo longer follow his own lips on the dubbing screen - was a

main news story bere. Whereas a few years ago it was virtually impossible to find a cinema showing foreign films with the original soundtrack and subtitles, an increasing number have been taking the plunge. The Nuovo Sacher in Rome's Trastevere district, previously a distinctly run-down establishment, has been tastefully refurbished with a bar, potted palms and

plush seats, and has been attracting respect able numbers of cinema-goers to watch subtitled versions of films such as Alexandre Rockwell's "In the Soup" and Orson Welles' reissued "Othello." The Alcazar, and others, have also been joining in the experiment. Meanwhile, in Milan, the Anteo, Arcobaleno and Mexico are showing original versions at

least one night a week. Despite the prevailing wisdom that Italian mass audiences will never accept subtitles, even the highly commercial end of the market is making moves in that direction. Media mogul Silvio Berlusconi's empire includes production and distribution companies, and with nearly 200 screens owned directly or for which it does the programming, Berlusconi's Cinema 5 chain is by far Italy's largest.

"I myself," said Sandro Pierotti, Cinema

5's managing director, "much prefer to secfilms in the original version." The chain's new multiscreen Maestoso cinema in Rome, which opened in September, is already show-ing subtitled films. Also, said Pierotti, a new, super-plush minth screen at their Odéon cin-ema in Milan will be inaugurated just before Christmas, and will be used exclusively to

"If I can prove it can be done successfully in Rome and Milan, then obviously we'll extend it to other places," he said.

Pierotti said that he had recently been to

Portugal, where he was immediately struck and bow much better than in Italy. One of the main reasons for this, as be saw it, was that films were shown there in original ver-

TATE television still puts out a parsimonious one original version midnight movie a week (Sundays, on RAI 3). Since April Tele+1, a pay-TV movie channel, has been offering the option on half a dozen films a month of switching from the dubbed to the original version — with the avowed aim of both giving a more authentic experience and attracting language learners. An English language version with English subtitles is also available.

"If television goes for subtitles," said Paolo Biondo, in his office at International Recording, "the film industry will probably go into subtitles too."

With subtitling costing only a fifth to a tenth of dubbing and young Italian directors abandoning the practice, Italy's dubbers may yet find the previously invincible fortress of their monopoly crumbling beneath

Roderick Conway Morris lives in Italy and writes for The New York Times and The Spectator.

MOVIE

Le Petit Prince a Dit Directed by Christine Pascal,

Violette (Marie Kleiber), a 10year-old butterball, is bounced back and forth between ber doctor father (Richard Berry) and actress mother (Anemone) who live separate lives. When a brain scan reveals a malignant tumor the panicked father es-capes with Violente across Switzerland to Italy, ending up in a vacation bome in Provence where they reunite with the mother. The escapade turns into a surprising kind of honey-moon; the reunion is everything a child could hope for, in fact, it could be a wish fulfillment fan-

LEICA R7. PERFECTION **MADE** IN GERMANY

tasy. The director is interested in examining the seductive relationship between father and daughter, she takes pains to keep the drama from sliding into bathos. But once you know the terrible diagnosis and prog-nosis, which is very early, the script fails: beautiful scenery and fine acting don't make up for lack of content and direc-tion. (Joan Dupont, IHT)

Forever Young Directed by Steve Miner.

Mel Gioson plays a pre-World War II test pilot who, accident-ly defrosted after spending more than half a century in a cryogenic capsule, learns about life and love in 1992. When first seen in 1939, Daniel McCormick (Gibson) seems to have the world in the palm of his hand. He's not only at the top of his class as a flier, but he's also in love with and loved by an ideal woman, Helen (Isabel Glasser), a successful magazine photographer. When Helen is run over in the street and declared brain dead, the distraught Daniel volunteers to be the first buman guinea pig in a cryogenic experiment. He's forgotten until two small boys of the 1990s come upon his abandoned but still icy crypt. Gibson makes this film far easier to sit through than it has any right to be. (Vincent Canby, NYT)

A Few Good Men Directed by Rob Reiner. U. S. An energetic adaptation of the Broadway play, this riveting court-martial drama looks at the eternal conflict between a civilization and the barbarity inherent in its defense. Essentially it is "The Caine Mutiny" in drydock with Jack Nicholson and Tom Cruise going macho à macho. Nicholson, as the fanat-ical CO at Guantanamo Bay, Cuba, orders his officers to



Mel Gibson and Elijah Wood in "Forever Young," top; scene from "Le Petit Prince a Dit," left; Tom Cruise in "A Few Good Men."

bring a platoon troublemaker into line through a severe and unsanctioned form of hazing known as a "Code Red." When the man dies during the incident, two young Marines are charged with his murder and flown to Washington to stand trial. In an attempt to dispense with the affair quickly, the Navy assigns a callow officer (Cruise) with a reputation for plea-bargaining to defend the pair. All of this is about as understated as a 21-gun salute, lt's a grand undertaking that wrangles with the heavy questions that cropped up at Nuremberg and My Lai, questions that de serve and get lots of imposing shots of monuments and not a little swashbuckling from the

expectations.

(Rita Kempley, WP)

Christmas Carol Directed by Brian Henson.

Micbael Caine and those talking hairballs, the Muppets, join together for a needless but apparently unavoidable retelling of Charles (Chuck) Dickens's holiday classic (you know the one 1 mean). "The Muppet Christmas Carol," a sadly dull and unimaginative outing, finds the hand-held oeo-Dickensians attempting performances opposite the Scroogey Caine, who does indeed look spooked to find himself in a scene with 14 rat puppets and a felt frog who recently took up method acting. Neither drama oor comedy, this is all safe stuff, and most un-Muppetlike. So much for great

(Rita Kempley, WP)

Cards: To Send or Not to Send

By Enid Nemy New York Times Service

TEW YORK — Breathes there a soul who hasn't at one time or another thought—for just a sec-ond or two—how nice it would be not to have to deal with Christmas cards? But fleeting thoughts and occasional action hardly count.

Despite the increasing costs of cards and postage, the fact is that holiday greetings still flood post offices every year. Untold hours are spent choosing, signing and addressing them, and a lot of midnight oil is burned by men and women creating original and highly personalized greetings. A completely unsci-entific survey seems to indicate that an in-creasing number of people each year make the momentous decision to stop sending cards, but the number is still minimal.

Nevertheless, the men and women who have decided to flout tradition take some pride in their decision and almost never back down. "I love the idea of Christmas in the sense of family and friends, but it's lost its sincerity," said Mede Debuskey, a Christmascard rebel and theatrical press agent in Man-hartan. "It's become a merchandising scheme. I try to maintain contact with the people I'm ested in, throughout the year.

Robert Shanks, a television producer and writer in Manhattan, said: "I stopped about 15 years ago because I hated the hypocrisy of it. It's one of those pro-forms things that people do. I might drop a line to older family members, but not a card."

But statistics released by the Greeting Card Association in Washington show little change in the number of Christmas cards sold annually in the United States over the last five years. The figure bovers between 2.1



billion and 2.3 billion. There are no figures available for other types of holiday cards.

Some people send Christmas cassettes or videos, with a message or featuring a seasonai song or poem.

Cards printed on recycled paper and those that benefit a specific organization are be-

HEAR THIS

The British Tourist Authority chose for its Christmas card this year a lovely Pissarro painting of Montmartre. Sandie Dawn, who represents the board, told Reuters: "Of course we are out trying to tell people to go and visit Paris. If it's been misconstrued, we are very sorry." And we thought it was a tribute to coming more popular every year. Card buyers will very often make an additional contribution to the organization.

"We always use some charity card," said Mary Loving, a partner in Loving & Wein-traub, a Manhattan public relations firm that has used cards that benefit Unicef, Gay Men's Health Crisis and the Pediatric AIDS Foundation, among other groups. The cards go to those on the firm's business list and, in most cases, to people on employees' personal

In the category of humorous cards, it would probably be hard to outdo the annual greeting sent to 1,700 family members. friends, and business and charity-committee colleagues by Bonnie and John Swearingen

Swearingen is the former chairman of Standard Oil of Indiana. One year, the couple appeared on cards dressed as Scarlett and Rhett O'Swearingen. Cards in other years have shown Mrs. Swearingen riding an elephant in a snow scene (which involved a good deal of photographic legerdemain) and poised in a hot-air balloon. This year, the two of them, she in feathered headeress and he with beaded forehead band, are Chief Puff Puff and Princess Moonbeam.

Their cards, imprinted with their names, are generally addressed by a secretary and not individually signed.

Letitia Baldrige, the etiquette expert and author of "Letitia Baldrige's Complete Guide to the New Manners for the "90s," generally disapproves of cards with only a printed signature.

"You've got to personalize them," she said. "If the names are printed, a line should be drawn through and the cards signed by hand — but there really should be something written as well, even if it's only 'Cheers' or "Merry, Merry."

Paris Shopping: Check Out the Proust Watch

By Jean Rafferty

ARIS - Freneb museums have discovered culture vultures like to shop. The museum shop, once a modest counter of postcards, has ballooned into a full-fledged empo-rium selling a diversity of art-related products.

Even small, specialized muse-ums, the latest being the Musec Guimet with its Asiatic art collection, have succumbed to the siren song of the shop. The Guimet opened its boutique in an annex hree weeks ago - and advertised it in the Métro.

And it's not only museums. Such angust institution as the Paris Opera the Bibliothèque Nationale, the Hôtel des Monnaies (the mint) and the Comedie Française have also jumped onto the boutique

This year, shoppers in quest of the artistic gift have a bumper se-lection to choose from, nowhere more so than at the Louvre, where museum meets mall under the Pyramid. The Louvre's two-level shop is a museum superstore, as bustling as Bloomingdale's in the preboliday rush. Books and catalogues are on the lower floor — next to a separate shop for postcards and posters — with the upper level di-vided into sections for jewelry, ta-bleware, fashion accessories and children's toys and books, along with the more traditional reproductions of Louvre statuery and busts. The Louvre's extensive jewelry collection is displayed in cases

along one wall of the shop with a 5,395 francs for a framed Dufy, pate culflinks (210 francs) of mirror so one may judge the effect. Here, too, is Les Pyramidions, a Comite Robert de Montesquiou in necklace at 485 francs or a solid gold bracelet after an ancient Egyptian motif (11,860 francs). could toast the New Year with crystal champagne flutes embla-zoned with a Napoléonic crest (565 yourself Keith Haring calendar (99 francs), a history of the Louvre's francs), or a witty Dictionaire du for the Bibliothèque Nationale, Pere Noël (128 francs). The muse-

um also has a mail-order catalogue. Further along the Pyramid mall (where fewer visitors venture) is the museum's chalcography boutique, where copper engravings from the original plates of more than 16,000 works from the 16th to 20th centu-ries are sold in limited editions. best-seller: The baroque pearl on a black velvet ribbon (350 francs) Prices range from 150 francs for a that encircles the oeck of Manet's 16th-century Jacques Callot to Olympia; another, the green glass

mirror so one may judge the effect. Here, too, is Les Pyramidions, a of a 5,000-B. C. Bulgar-inspired sil-ver pendant at 310 francs (\$57) and an array of muscums and historical monuments, including the mint, the Bibbothèque Nationale and the Paris Musées collection as well as There are silk scarves and ties. One New York's Metropolitan. The merchandise ranges from the ubiq-uitous "pins" — of Renoir, Gauguin, Géricault and Delacroix (28 francs), or picnic on Louvre im-printed paper plates, (eight for 40 dolls (38 francs) to limited editions francs). For children: a color-it-of contemporary sculptures for the of contemporary sculptures for the miot. Claude Lboste's joyful bronze dolphin is 3,960 francs, and construction from fortress to Pyra- Marie-Christian de La Rochefoumid in English or French (119 cauld's trompe-l'oeil library screen

28,900 francs.

Boldini's portrait. The packaging is Theatrical red and black also worthy of the Faubourg-Saint

At the Pompidou's shop, now on the center's balcony, avant-garde design lovers can choose between Philippe Starck's new ceramic and mox rocking Ti Tang teapot (1,470 francs), Frank Gehry's eccentric "Pito" kettle (1,500 francs) and Carsien Jorgensen's see-through plastic Teapot 2000 (210 francs). Their best-seller: Thomas Loosli's Twin watch for the eagle-eyed. Its dial is barely discernible through thick red, green or blue glass (1,380

black ribbon.

28,900 francs.

Across the river, the museum shop reaches a peak of chie at the Musée d'Orsay. The Orsay's ingenious collection features "objets dérobés," products "pinched" from their celebrated paintings. One their celebrated paintings. One contemporary design also stars at the Musée de Arts Décoratifs: Swedish designer Torum's stream-lined chrome swirl watch for Georg Jensen (7,575 francs), Rue de la Paix jeweler Jean Dinh Van's spare content of the product of the painting bracelet (1940) francs). fourcs). rangewest reast Dinh van sapare sterling bracelet, (1,950 francs). There are witty tumblers sprinkled with colorful glass confetti (170 francs), watchwork robot brooches (350 francs) and Cocteau's "Eye" pin with pearl tear designed for Schiaparelli in 1937 (750 francs).

The Carnavalet's attractive bou-tique is in the former Salle des Gardes. Their Louis XV boiseries have inspired a silver brooch made by the Left Bank jeweler Arthus Bestrand (140 francs) and a gold-plated Dupont lighter (2,700 francs); the marquetry of an 18th-century commode, a Murano glass ring (220 francs). A porcelain sil-houette of the Paris skyline against

a starry sky turns up on coffee cups

(395 francs) and umbrelias (390

reign at the Comedie Française, Honore, smart red boxes tied with where pertinent quotes from the plays of Molière grace T-shirts (160 francs), silk pocket handkerehiefs (145 francs) and porcelain plates (290 francs). There are playing cards of famous actors in historic roles (60 francs), current representatives available on video (184 francs) or pencils and notebook (65 francs, 45 francs) for the budding playwright.
Guimet's Chinese and Japanese

ceramics and enamels and ancient Khmer statues have inspired a hand-decorated falence teapot and cups (580 francs, 265 francs the pair), colorful silk scarves (680 francs) and lovely subtly shaded wool shawls (980 francs). At the Picasso, T-shirts sport the master's Dove (145 francs), silk scarves, his Femme à Guitare (1,050 francs), writing paper, his toreadors (30 francs), dominos, his naif ligurative motifs (450 francs). Matisse's dancers swoop from pendant carrings (380 francs) et the Opera boutique, and Nijinsky is immortalized on a T-shirt (130 francs). Most original: the befeathered, flowered, embroidered and sequined costume masks (310-360 francs).

The Musée de la Poste's best buy: Commemorative folders of a year of French stamps, designed by such artists as Niki de Saint Phalle, Antoine Tapies and Francis Bacon (1991, 202 francs, six months of 1992, 94 francs).
The wiltiest watches are de-

signed by Aline Lang at the Bib-liothèque Nationale shop in the Passage Colbert. The opening line of "Remembrance of Things Past" encircles the dial of the Proust watch (345 francs) while on the midnight blue sky dial of the Paul Valery, glittering stars turn with the seconds illustrating the author's "Le temps scintille et le songe est savoir" (about 500 francs).

The best T-shirts (surely only a matter of time until this most popular icon of the late 20th century has a museum to itself) are designed for the Friends of the Museum of Modern Art of the Ville de Paris. On one, Jean-Charles de Castelbajac discovers Art to a colorful list of such unlikely names as bonapARTs, d'ARTagnan and bogART. Ben's "Je sus invisible oaturally comes in black (180 francs). And as belits a work of art, they are signed by their creators on

Jean Rafferty is a Paris-based journalist who specializes in design and lifestyle.

Fish Restaurants: Some Caveats

By Patricia Wells International Herald Tribune

ARIS — Fish, it seems, is a very private matter. No category of restaurant dis-cussed in an article generates stronger negative reader reaction than fish and shellfish places.

be sparkling, clinically fresh. It seems that the diner has to be in the mood for a specific restaurant, a particular fish and a personalized style of cooking at that very moment, or the restaurant might

Why should this be? It's oot enough that the fish

as well lock its doors. Is it that people don't really love fish? Or is it that we've been so brainwashed into thinking we should eat fish rather than meat - for health's sake - that we don't consider it a treat?

Think about it? Want to make guests bappy? Serve them roast poultry and potatoes familiar fare that won't offend. (My mother still talks negative-ly about the time I "made" her eat octopus. It was really baby squid, but it was all the same to

Then think about all the fish and shellfish most of the people won't eat most of the time: sea snails, anchovies, herring, mackerel, sardines, tiny red mullet or rouget, raw oysters. clams, mussels, sea urchins or eels, anythin bones, anything where you can see the head, anything that requires you to interact with the creature with your hands or fingers. Either they smell too strong, or taste too strong. They have bones. The skin is slimy. The texture is mushy. They make you squirm. They're hard to digest. And think of all the real danger they present: a bone stuck in the throat, not to mention the threat of hepatitis, mercury professions and blocker on your neck and solver. poisoning, red blotches on your neck and palms.

As I see it, ebout the only creatures toward which there is little malice are shrimp and salmon. Squid is O. K. as long as it's breaded and fried and people don't have to think about what it really is. And surbot and sole can probably squeeze into the edible estegory if they're properly boned and beavily sauced, it's no wonder that surimi — those glowing pink and tasteless wads of imitation crab meat made from trash fish that's been processed and frozen and processed again - is such a popular supermarket item. Ersatz mystery fish for those who want oo mystery at all.

All that said, I love fish and shellfish. Even creve it in cool weather like this, when each day I could easily be revived by downing a dozen tiny papil-lons ir consertes, baby crinkle-shelled cysters in the shell, with their ice-cold briny flavors and scent of the sea.

Recently, I revisited two favorite fish restaurants that have elicited the most occative mail, the small and trendy Left Bank L'Ecaille de P. C. B. and the controversial La Cagouille, near Montparnasse, In the past, I've had mixed meals at both, and return visits made me realize that, if you do go out for fish, know what you're in for, order what you're to the mood for, and don't let friends or waiters make you change your mind. Remember, it's a private affair.

La Cagouille - widely criticized for amateurish service, undercooked lish, an illegible blackboard menu and a decor that could rival a Greyhound bus depot for warmth - still serves up some of the freshest fish and shellfish in Paris. My meal was simple - an appetizer of ocean-fresh elams steamed then doused with butter; a first course of sparkling fresh tiny langoustines, sauteed in butter and eaten with the fingers, the better to suck out all

the almond-sweet, pale, pink meat; and steamed baby bar. or seabass, served whole, with a colorful mix of steamed carrots, green beans, snow peas, and jurnips, tossed with La Cagouille's ubigmitous butter. I dare anyone, in the right frame of mind, to find fault with these, especially if they are all washed down with sips of Alain Graillot's 1991 vhite Crozes-Hermitage and bites of the moist and fragrant, crusty sourdough bread from Boulangerie Saibron, right across the street. Of course you have to be in the mood.

Note that La Cagouille has undergone a bit of recessionproofing. Prices have dropped, the restaurant is open seven

days a week, and a 150-frane lunch menu is now in effect. You need to know that for many people's taste, the fish is slightly undercooked, that the plain decor will never change, and that service still runs hot and cold.

L'Ecaille de P.C.B., the popular hangout of Paris' Left Bank book publishing crowd, recently underwent a lotal renovation, transforming what was once a cozily outdated Basque restaurant into a slick, chic, elegantly pretty spot decorated to resemble the cabin of a ship. The shiny wooden walls, white curtains, blue tiles and simple lighting make a perfect backdrop for a seaworthy meal.

Criticism of L'Ecaille ranges from complaints about slow or unpleasant service, about fish that's just not fresh, or prices that are simply too high, Last week, I swooned over a tartare of dorade, prepared à la mimae, perfectly fresh porgy chopped by hand, tossed with herbs, oil, and seasoning, served with deliciously fresh toasted rye bread rubbed ever so lightly with garlic. But chefowner Paul Bardeche's real love is roasting, and his roasted seabass was cooked to the millisecond of perfection, with a faint whiff of Pernod and branches of wild fennel. But that, again, is a private marter.

La Cagouille, 10-12 Place Constantin-Brancusi, (across from 23 Rue de l'Ouest), Paris 14; tel: 43.22.09.01. Open daily, Closed Dec. 24 through Jan. 4. Credit cards: American Express, Visa. 150franc menu at hunch. A la carte, about 350 francs per person, not including wine.

L'Ecaille de P.C.B., 5 Rue Mabillon, Paris 6; tel: 43.26.73.70. Closed Saturday banch and Sunday, Credit cards: American Express, Visa. 150-franc menu at lunch. A la carte, 300 to 350 francs, not

Don't forget museum closing

- usually Tuesday. Not Up to Visit?

Do write for catalogues and price lists. Most stores offer mail order service.

Limited Edition Art Do check if the museum has limited edition art works for sale.

Something Extra Don't just shop: Check out

the Louvre's newly opened rooms for French art.

GUIDE

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بمتعضانات

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Vienna Kunsthistorisches Museum (tel: Sos.8747). To Jan. 10: "Freema-sons: Till the End of Time." Examines the history and myths surrounding this 700-year old treternal organization.

Scandinavian artists from the late 19th century to the present day. In-cluding works by Munch, Strindberg, Jorn and Sallinen.

CZECHOSLOVAKIA Prague

Muaeum of London (tel: 600,3698). 70 June 1: "The Purple, White and Green: Suffragettes in London, 1906-14." A re-evaluation

vey or tarry tast moust at Czech at.
Národní Muzeum (tel: 289.451). To
Jan. 3: "Four Generations of Pollsh
Designers." Set designs and costumes by entists such as T. Rozskowska, J. Kosinski, M. Kokodziej and

DENMARK Louisiana Museum of Modern Art

(tel: 42.19.07.19). To Jan. 3: "Plerre Bonnerd." Retrospective of the works of the French painter. FRANCE

Chartres Musée dee Beaux-Arts (tal: 37.36.41.39). To Merch 1: "L'Oeuvre Grave de Goya." More than 200 works by Francisco Goya which correspond to the series: Disasters of War, Follies and Bulffighting.

Paris 44.78.80.20). To March 7: "Muses Historique de Gotland." An assortment of artifacts documenting the history of Gotland from the Roman empire to the 14th century, includes

sculptures, wood works, textiles, ceramics and jeweiry.
Jeu de Paume (tel: 47.03.12.50).
To Jan. 31: "Jones Mekas." A retrospective of the New York cinematographer'a works.

Musée des Arts d'Afrique et d'O-céanie (tel : 44,74,84,80). 7o Merch 29: "Rao, Polynésies." Religious representations and artifacts, along representations and artifacts, along with weapons and omainents dating back to the first discoveries in the Gambier Islands, Polynesia.

Musée de Luxembourg (tel: 42.34.25.95). To March 7: "Bijoux des Regions de France: 1700-1900." More than 400 pieces of jewelry from different provinces in France, made in traditional artisanal fashion.

GERMANY

Deutsches Historisches Museum Unter den Linden (tel: 215.020), To Feb. 23: "Die UFA." Commemorates

the 75th anniversary of UFA, the German film company. man film company.

Museum für Angewandte Kunst
(tel: 221.2334). To Jan. 10: "An der
Rechtschule Glanzstoke," More than
400 fashion accessories from International artists and designers such as
Lalique and Kenneth Jay Lane, as
weil as Chanel and Dior.
Cologne

well as Chanel and Liior.
Cologne
Amerika Haus (tel: 209.010). To
Dec. 24: "Deepening Concerns and
New Impulses." Student artists from
all over the world will exhibit their
works. The art represents experimentation in painting, sculpture and photography. Munich

Kunshalle der Hypo-Kulturstiftung (tel: 2244 12). To Feb. 28: "Freder-ick the Great: Collector and Patron." Includes paintings by Flubens, Rem-brandt and Watteeu, and various ob-jects from Frederick'a years at Sens Stavel, bis Potedar relices Souci, his Potsdam palace. Well am Rhein

Vitre Design Museum (tel: 702.200). To March 28: "Miniaturen." A series of classical miniatures which exemplify furniture design over the past few decades.

INDONESIA

World Trede Center (tel: 521.1125). To Feb. 28: "Raksasa." Indonesian sculptures spanning 10 centuries includes classical and tribal works from Java, Timor, Kaliman-tan, N. Samatra and Irian Jaya.

Uister Museum (tel: 381.251), To June 27: "A View of Estuaries," A photographic exhibition from the Royal Society for the protection of birds. Also, to Jan. 3: "Micheen Bradley." A retrospective of the Uister potter'e work.

ISRAEL

The Israel Museum (tel: 708.811).
"British Figurative Paintings of the 20th Century." Seventy-five paintings by 24 artists of the "School of London," including Michael Andrews, Frank Auerbach, Francis Bacon and Lucian Frank!

JAPAN

Tokyo
Mitsukoshi Museum of Art (tel: 3225,7603). To Dec. 27: "From Raphsel to Plessrro: 7rends of European Landscape paintings." One hundred paintings, including 28 cils on Sternberský Palác (tel: 35.24.413). To Jan. 24; "The Fairy Tale." A survey of fairy tale motifs in Czech art.

NETHERLANDS

Ameterdam Museum het Rembrandthuls (tel: 24,94,86). To Feb. 28; "Episco-plus." Seventy drawings and etch-ings by Jan de Bisserbop, Included ings by Jen de Bisscriop, Includes Indicapes, figure studies end copies of paintings and drawings by by the artist'e contemporaries, Tropenmuseum (tel; 568.8200). To Aug. 22: "Adivast: Het Andere India." In commemoration of the International Learning and Learning a

al year for indigenous peoples this exhibit pays tribute to the indigenes of India: includes drawings, murals, paintings and sculptures.

SPAIN

Fundecio Joen Miro (tel: 329.1908). To Jan. 10: "Gilbert and George: The Cosmological Pic-tures." Twenty-five large-format places produced by this pair of British artets who started working together in the 1909.

Måtaga Palacio Episcopal (tel: 581.1074). To Jan. 11: "Picasso Classico Mala-ga. 1992." Malaga, the birtipiace of the Spanish artist, observes the influ-ence of Picasso's Mediterraneen cultural roots on his work.

SWEDEN Stockholm

Moderna Museet (lei: 666.42.50). To Jan. 6: "Fernand Leger and the Nordic Countries." Works by the French Cubist painter while he was traveling in Scandinavia in the 1920s and 1930s.

SWITZERLAND

Musee Barbler-Mueller (tel: 312.02.70). To Feb. 16: "Art des lies Solomon." An assortment of ancient tribal works from the Solomon Islands in the South Pacific.

In the South Pacific.

Lausarana
Musée de l'Elysée (tel: 617.48.21).

7o Jan. 17: "Werner Pawloic Transfers." Photos by this German photographer who practiced what he called "photography painting." Also, to Jan. 17: "Rome-Parls." A survey of the private collection of Peter Herzog, focusing on changes in technology and innovation of the mid-19th century. Zurich

Kunsthaus (tel: 251.67.55). To Dec. 13: "Gustav Klimi." Exhibition mark-ing the 50th anniversary of the Austri-an Symbolist painter's death.

UNITED STATES

Baltimore

Museum of Art (tel: 396.7100). 7o Jan. 17: "Picture Perfect: Icons of Modernism From the Museum of Modern Art, New York." Paintings and drawings by Cezarus, Picasso, Chagell, Hopper, Poliock and other modern painters. La Josta

San Diego Museum of Contemporary Art (1st: 454.9541). To Feb. 28:
"Jana Sterbelt: States of Being." A
retrospective of the Czech-born, Canadlen artist's mixed-media works.

New York The Brooklyn Museum (tel: 738.6501). To Jan. 10: "Max Weber: The Cubisi Decada 1910-1920." More than 60 oils, watercolors and pastels of New York cityscapes and abstract figure studies.

Pasadena Norton Simon Museum (tel: 449.6840). To May 9: "Eugene Biery: Views of the French Countryside." Includes Biery and his contemporaries such as Corot, Deubligny and

San Francisco Museum of Modern Art (tel: 863 Misselin of Nobert Art (tel. cos 88). To Feb. 7: "4: Four Graphic Designers." Features award-winning works by San Francisco-based de-signers Michael Cronan, Michael Manwaring, Gerald Reis and Michael Wanderthe Washington

Washington
National Museum of American History (tel: 357.3129). To Jan. 15: "Kitowa Culture in Transition, 19251955." Includes 72 photographs by
Horace Poolaw, a Klowa, who documented significant events of his tribe
and the daily life of his family and
friends, over a 30-year period.

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BRITAIN

BELGIUM

London Barbican (tel: 638.8891).To Feb. 7:

Museum Moderner Kunst Stiftung Ludwig (tel: 782.550). To Jan. 31: "Rudolf Schwarzkogler." A survey of

the Austrian artist's paintings, photography and grephic works.

Koninklijk Museum voor Schone Kunsten (tel: 238.78.09). 7o March 7: "De Bruegel a Rubens: L'Ecole de Peinture Anversoises, 1550-1650." One hundred and fifty works by local

artists throughout the century. In-cluding works by Frans Floris, Maar-ten de Vos, Pourbus, Snijders and Van Dijck.

Musées Royaux d'Art et d'Histoire (tel: 741.72.11), To Dec. 27: "Tre-sors du Nouveau Monde " Pre-Co-

lumbian art of the American confi-nents from the Arctic Circle to the

southern tip of South America.

"Border Crossings: Fourteen Scan-dinavian Anists" Explores the work

A detail of a Danny Lyon photograph in London.

National Gallery of Canada (tel: 1990.1985). To Feb. 7. "Correspondences: Jack Shadbolt." Paintangs and drawings by the Canadian artist.

Photographer's Gellery (Tel: 831.1772). To Jan. 31: "Danny Lyon." A retrospective of the American social documentary photogra-

of the the aarly British women's

CANADA

movement.

Montreal Centre Canadten d'Architecture (lei: 939.7020). To March 14: "Toys that Teach." A presentation of works by Frederich Frobel and a range of other geometric toys used for learning in the 19th century.

Muses d'Art Contemporain (tel: 673.26.78), To Jan. 3: "From Media Io Metaphor: Art about AIDS." An exhibition analyzing the way AIDS is represented in a variety of works produced between 1985 and 1990 in the United States.

Offer valid through January 31, 1993.

Pa

Investment Opportunities in Pakistan

A Welcome Is Waiting for International Entrepreneurs

A new economic order launched in Pakistan two-and-a-half years ago has opened up vast opportunities for investment in the industrial, commercial and service sectors.

Annual Growth Rates

Manufacturing:

The policy introduced by the government of Prime Minister Mohammad Nawaz Sharif is based on the three pillars of deregulation, liberalization and privatization.

This means that investment openings in Pakistan are almost limitless. There is a heavy demand within the country for everything from consumer goods for daily use to sophisticated engineering and electronic equipment. And Pakistan is well placed for the export of goods to other parts of Asia: The

affluent Persian Gulf countries are just around the corner, and landlocked central Asia is now

The safety of foreign investment is protected by law, and experience has proved that investment will earn good returns. Pa-kistan is regarded as a land of opportunities by entrepreneurs.

Prime Minister Nawaz Sharif recently said that by international standards Pakistan was in the forefront in terms of speed and scope of economic re-forms. He added, "I would not mind pushing for even faster implementation. Our people bave waited too long for the fulfillment of their dream

of a progressive and prosperous Pakistan."

The prime minister added. "The only constraint is speed, rather than resistance to reforme than resistance to reforms. The speed is constrained by our private sector's ability to respond,' Pakistan is a Western-

style democratic federation of four provinces with a bicameral parliament and an elected government. The ruling party has a two-thirds majority in the central government in Islamabad, the nation's capital, and heads all the provincial govern-ments. Pakistan has a track record of steady economic development over the past 30 years.

Foreign investors should be encouraged by the fact that 200 multinationals and 18 foreign banks with 68 branches are operating in the country. Pakistan has agreements on the avoidance of double taxation with 34 countries and bilateral investment treaties with eight.

Among the legal protections investors enjoy is the freedom to bring, bold, use or take out foreign currency. Unrestricted import of raw materials, plant and equipment is allowed, and there are concessions possible on taxes and duties.

Evidence of foreign in-vestors' confidence is given by the figures: Foreign direct investment jumped from around \$200 million in recent years to \$343 million in 1991-92. Foreign portfolio investment has escalated to \$219 million from less than 10 million in recent years.

The Pakistan govern-ment bas recognized the importance of providing a modern communication infrastructure and bas launched an ambitious but realistic program to improve, modernize and expand its communications networks.

This involves building new highways and upgrading existing roads to international standards.

An investment of 100 billion rupees (about \$3 bil-

lion) is being made, with special attention being paid to the need to link centers of production to markets and ports. Earlier this year, the prime minister inaugurated the construction of the Pakistan Motorway, the country's

The government bas also decided to set up industrial estates at or near the interchanges of the highway. These will offer the special incentives already proposed for the industrial zone at Port Qasim, near Karachi.

Big strides have also been made toward the moderniza-

tion and expansion of the telecommunication structure. The pace of development in the telecommunication network is unmatched by any other country in the region.

Government and private investment in this sector in the year ending in June 1993 will total about 20 billion rupees. Multinationals will be installing 500,000 new telephone lines in the country, and Pak Telecom will install 300,000 lines.

Alcatel of France, in collaboration with the Aga Khan Fund for Economic Development, has set up a manufac-turing facility in Islamabad that will produce modern

18 foreign banks have 68 branches

telephone exchanges. Siemens of Germany has two man-

ufacturing facilities. Three cellular mobile telephone companies have been set up, largely with investments from abroad. Card pay phones are being installed by the private sector.

In a rapid modernization program, old systems are being replaced by state-of-the-art technology. Several digital exchanges are now in operation. The laying of an fiber-optic cable between Karachi and Islamabad has been completed. The telex network has been digitalized and is being expanded. Facilities for high-speed data transmission are also available.

Quick and efficient postal services reach every corner of the country and provide many facilities, including banking, insurance and courier services. Many private courier services are in operation.

Port facilities are also going through a major modern-ization program. Berthing facilities at Port Qasim and Karachi Port will be expanded, and there are plans to build modern terminals for oil, grain and containers. A new port at Gwadur, near the Strait of Hormuz, will be developed to accommodate vessels of up to 50,000 tons. The private sector is being invited to participate.

An area of 12,000 acres has been reserved at Port Qasim for the establishment of a Maritime Industrial and Commercial Zone on the pattern of European ports. In this zone, raw materials will be imported, processed, manufactured and re-exported without being subject to customs duties or procedures.

The investment climate has been described as "encouraging, welcoming and rewarding," and investors will have all the cooperation they need from the government.



"I would like to get the government out of the business of running factories, businesses of all kinds, even airlines. I want to move it towards a free market economy," says Prime Minister Nawaz Sharif.

PIB: An Investment Promotion Agency

The Pakistan Investment Board is an investment promotion agency under the direct administrative control of the prime minister. The government is of the firm view that acceleration in the pace of in-vestment is the key factor in the development of the economy and the improvement of the standard of living.

The Pakistan Investment Board provides "one-stop" services. This means that the board will be the focal point of contact for in-

longer have to contact other government agencies. departments or ministries.

PIB will always be bappy to provide assistance to potential investors. It can be contacted at the following ad-

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Pakistan Secretariat, Block A, Rooms 108 & 109, 1st Floor, Islamabad, Pakistan.

Tel.: 92-51-211870 vestors, who will no Fax: 92-51-215554

Sustained Growth Is Reported From All Economic Fronts have been opened to the private sector.

1991-92

Since Pakistan's new government came to power in November 1990, it has introduced ambitious and far-reaching reforms. Growth has since been recorded in gross domestic product, investment, exports, stock-exchange activity and foreign-exchange reserves.

In spite of a slowdown in the world economy and special difficulties arising from the Gulf War, the GDP growth rate in 1991-92 is officially estimated at 6.4 percent, compared with 5.6 percent in the pre-

vious year. Agriculture also grew by an estimated 6.4 percent during the same period, mainly due to a dramatic increase in the production of raw cotton, up by 35 percent over the previous

The growth rate in the manufacturing sector was 7.7 percent, the most pronounced increases being in soda ash (24 percent), sugar (21.1 percent), cotton yarn (9.8 percent), caustic soda (8.7 percent) and cement (7.4 percent). The production of gas increased by 5.4 percent, and installed electricity generation capacity was

up 5 percent. Total investment in 1991-92 increased by 17.6 percent, with private investment (24.8 percent) lic-sector investment (10.1 percent), reflecting a positive response to government policies. Private sector investment rose by 48 percent in the last two

On the stock market,

Target for 1992-93: further reduction in inflation

the general index of share prices recorded an increase of 96.7 percent, compared with 36.7 percent during 1990-91. Total transaction of shares during the year was 482,602 million rupees, compared with 115,655 million rupees during the previous year, an increase of 317.3 percent.

The budget was under strain, mainly because of the decline in raw cotton prices and the increase in prices of petroleum products, but the government was able to reduce the fiscal deficit from 8.8 percent of GDP in 1990-91 to 6.9 23.7 percent. These figures for 1990-91 and 1991-92 compare with increases of 6.2 percent and 6.3 percent

Exports increased by

11.2 percent, mainly in

rice, raw cotton, cotton

fabrics, ready-made gar-

ments, synthetic textiles,

leather products and ho-

siery. Exports in the year

carlier had increased by

in the two preceding years. Imports in 1991-92 were up 20 percent, a positive feature being a 56 percent increase in machinery imports, which reflects increased investment.

In addition to these quantitative improvements, the policies and reforms of the government have brought about "a qualitative change in the economy." The following changes have resulted:

 The economy is more open and deregulated, inneurs to enhance investment and make more

efficient use of resources. Exchange and payments reforms have resulted in greater and easier flow of foreign currency.

 Maximum level custom tariff bas been brought down to 90 percent with a view to ensuring more efficient use of resources. The import surcharge of 10 percent has

been abolished Additional productive job opportunities bave been provided.

 Monetary policy has been liberalized and financial regulations reshaped. Besides the privatization of two banks, a number of private commercial and investment banks and financial institutions have

been launcbed. The privatization process is in full swing: over 50 industrial units have been privatized, and the rest are to be privatized by the end of the year. New areas like power, telecommunications, roads, port

cal and social infrastructure will be speeded up. A Economic targets for three-year "Social Action Program" costing 53 bil-lion rupees bas been

launched with an empha-

sis on primary education.

cive to greater investment

and productivity.

1992-93 include a GDP growth of 6.2 percent, an increase in exports by 15 percent, an increase in imports by only 7.45 percent, a reduction in the overall fiscal deficit from 6.9 percent of GDP to less than 5 percent and a reduction in inflation from 9.6 percent in 1991-92 to less than 8

percent. Development of pbysi-

Investment Trends

Total investment rose 17.6% last year, from

191.0 billion rupees to 224.6 billion rupees.

basic bealth, population Foreign Input planning and sanitation. The government is continuing its efforts to im-Essential to Growth prove the law and order situation and to create an atmosphere more condu-

Economic thinking in Pakistan has come to recognize that foreign direct investment is an essential element in the government's efforts to lead the country to growth and prosperity.

A gap became apparent in the 1980s between the large and increasing demand for investment, on the one hand, and the low level of domestic savings and the shrinkage in official development assistance on the other.

Before 1989, foreign investment flows remained confined to a few extractive industries like oil and gas, the franchising of brand names and the manufacture of pharmaceuti-

The increase in inflow was 54 percent in 1990-91, when the dramatic effect of the prime minister's reforms was beginning to

For foreign investors, the reforms with the most immediate effect were the dismantling of regulatory controls so that foreigners can now own 100 percent of equity in a company, the easing of restrictions on the repatriation of capi-tal and profits, and the reduction in the amount of bureaucratic red tape, notably through the establishment of the Pakistan Investment Board as a first port of call for would-be

The government bas also earmarked 12 special economic zones with a number of investment incentives. A 200-hectare (500-acre) zone at Port Qasim has been leased by Daewoo of South Korea at \$12 per square meter, and another 90 hectares have been acquired in a zone near Karachi by a domestic company, the Schon Group, which is planning to set up a joint venture oil

refinery with an American partner.

Japan's Suzuki Motor Company, which had helped to set up a publicsector car factory in Pakistan in the early 1980s, acquired a 41 percent equity stake in the company in September of this year. Another plant is planned to start exporting to Cen-

tral Asia. The importance of Pakistan's geographical prox-imity to Central Asia is

Expansion into Central Asia

emphasized by other developments. In Kazakhstan. Pakistan has opened a branch of one of its privatized banks to support counter trade. It now has an agreement with Taiikistan to purchase surplus Tajik hydroelectric power.

Uzbekistan grows long staple cotton, and some Pakistan manufacturers are experimenting with this fiber. Pakistan is seeking ways of attracting foreign investment to develop the cotton and textile sectors in conjunction with Central Asian countries.

The need to attract foreign investment has been the stimulus for a major road-building program and other efforts to improve Pakistan's infrastructure. It has also led to a change in basic econom-

ic philosophy.

Foreign investment is now recognized as a spur to efficiency and an essential source of funds for necessary economic growth.

1990-91 1991-92 growing faster than pubpercent in 1991-92. ducing private entrepreoperations and shipping Privatization Program: Speed Has Been Spectacular

The policy of privatization has been officially described as a "cornerstone" of the government's economic plans.

The emphasis is on opening up the economy and unleashing private initiative to play a fuller role in accelerating growth and improving economic performance.

The reduction in the overextended reach of the public sector is intended to give it a sharper focus, facilitating concentration on its primary functions - providing physical and social infrastructure, ensuring a level play-

22 new shipping companies licensed

ing field for economic activity and balancing economic

and social development.

The idea is to open to the private sector what had been exclusive preserves of the public sector, including power generation, airlines, ports, shipping, highways and tele-

Banking and industrial ventures were the first preserves to be tackled. The policy was to divest the banks nationalized in 1974, set up new commercial banks in the private sector (10 units have already been sanctioned). provide for the liberalization and market orientation of the financial sector and privatize 115 industrial ventures.

The policy is intended to reverse the large-scale nationalization that bad taken place in the 1970s. To implement the new policy, a Privatization Commission was established in January 1991 to invite bids for selected units, have them evaluated by independent consultants and submit reports to a cabinet committee.

The methods being used for privatization include: Sale of state-owned enterprises by inviting bids from the private sector.

· Sale of shares through the stock exchange at a price determined through an evaluation process. Encouraging employees to constitute employee man-

agement groups and negotiating share prices with them. Encouraging prospective investment managers to form companies and buy shares or undertake leasing agreements.

The speed and scale of privatization has been described as "spectacular." The privatization of the Muslim Commercial Bank sent it off to a flying start. The process was completed in just over three months. The sale price was 56 rupees a share, against a reserve price of 35 rupees.

Allied Bank of Pakistan was sold to its employees at 70 rupees a share. The performance of these banks since their divesture has been outstanding. The government also advertised the remaining banks and financial institutions — Habib Bank Ltd., United

Bank Ltd., National Development Finance Corp. and Industrial Development Finance Corp. The Telegraph and Telephone Department bas been

converted into the Pakistan Telecommunications Corp., and proposals to privatize it are under consideration. It is a profitable enterprise with an assured and growing market. A sale price of over \$6 billion is expected. Power-generation units operated by the Water and

Fixed Private Investment

Power Development Authority are also up for sale. In view of the large size of utilities and the need to attract foreign capital, their privatization has been handled on a different basis from banks and industrial units, with more time being devoted to the preparatory phase. The achievements of the privatization program so far

include revenue of 3.6 billion rupees raised from the sale of companies whose activities include automobiles, cement, engineering goods, chemicals and pharmaceuticals. One of the biggest local public ntilities, Sui Northern

Gas Pipelines, has been partially privatized through the sale of some of its shares - worth 2 billion rupees - on the stock exchanges. The public-sector monopoly on shipping has been broken: 22 new shipping companies have recently been licensed.

On domestic air routes for passengers and freight, private companies are to be allowed to compete with the public Pakistan International Airlines.

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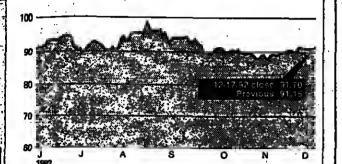
NONSTOP TO N.Y., S.F.: CHARMING ALL THE WAY

Page 15



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International Herald Tribune World Stock Index O, composed of 230 internationally Investable stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



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Utilities	86.86	86.70	+0.18	Raw Materials	93,13	92.79	+0.37
Finance	83.85	83,39	+0.55	Consumer Goods	94.28	93.85	+0.46
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France Will Act To Spur Economy, Defend the Franc

PARIS — France's banks and insurance companies got small Christmas gifts Thursday from the government. The emphasis was on "small."

Prime Minister Pierre Bérégovoy promised action to stimulate the economy next year, a move that could ease the squeeze on banks' profit margins. Finance Minister Michel Sapin outlined a plan to revive the collapsed real estate market that has drained the earnings of hanks and insurance companies, many of which have huge

investments in property.

The moves came as both officials vowed to defend the france. Mr. Beregovoy rejected the idea of devaluing or floating the france and said his government would take whatever measures were necessary to defend the currency. He was speaking after the franc came under renewed pressure within the exchange-rate mechanism of the Enrope-an Monetary System and the Bundesbank bought francs for marks. But the franc remained weak. The mark ended in London at 3.4182 francs, little changed from 3.4183 on Wednesday. Its ceiling in the exchange-rate mechanism is 3.4305 francs.
The prime minister said that French-German cooperation and, in

particular the mark-franc parity, were of vital importance for France and Europe. He warned financial markets that French monetary policy would not be changed as a result of speculative movements of international capital.

The Bundesbank warned Thursday that inflationary pressures remain in Germany, adding that this meant it would pursue its tight

monetary policies. (Page 17)

Mr. Sapin reiterated France's opposition to a devaluation, saying that it was "out of the question."

"You don't devalue the currency of a country that is performing better than the others," Mr. Sapin said at a regularly scheduled news conference. "The issue of a franc devaluation doesn't even come up

Mr. Beregovoy said he would move in early 1993 to bring relief to the French economy. Analysts said that could portend a cut in interest rates and perhaps an unbooking of the franc from the mark, though Mr. Beregovoy denied the franc would be allowed to float.

Paul Horne, an international economist at Smith Barney, Harris Upham & Co., said Mr. Beregovoy could announce a temporary suspension of the formal link between the franc and mark in January. That would allow short-term French interest rates to fall, he said. Lower rates would relieve banks who have been pressured by the

government to keep their lending rates down even though their cost of borrowing has increased. In October, the banks collectively lost an estimated 400 million francs (\$75 million) by agreeing not to raise base rates even though official rates had jumped to support the franc.

In the past three weeks, bank lending margins again were squeezed when short-term maney market rates even as the government continued. when short-term money market rates rose as the government continued its efforts to stave off devaluation of its currency.

On Wednesday, the banks' collective patience finally cracked, and they announced a 0.55 percentage-point increase in base rates, to 10 percent from 9.45 percent, reversing a cut amounced just last month. Mr. Sapin's proposals to revive the real estate market include cutting back on the bureaucratic controls on renting offices in the Paris region, giving tax breaks on investments in offices and making more costs of residential renovations tax-deductible. (Bloomberg, Remers)

BA Wins 25% Stake in Qantas

By Erik Ipsen

International Herald Tribune
LONDON — The acquisitive British Airways took a step Thursday toward its goal of offering seamless service around the globe by winning the bidding contest against Singapore Airlines to purchase 25 percent of Qantas from the Australian government for 665 million Australian dollars (\$458 The purchase of the stake in the

Australian national carrier, which still must win regulatory approval, would give BA not only a befry chunk of a profitable carrier with a good safety record and a comparatively young fleet, but also a strong position in the southern Pacific rim. By taking its stake in Qantas, which the Australian government is selling in stages, BA also succeeded in frustrating the ambitions of one of its more potent rivals, Singapore Airlines, the only other bidder. A number of observers noted

that the price BA is paying is a bit less than had been anticipated, another sign, they said, that this is a buyers' market for airlines. "If you have the cash to spend

and very few airlines do — this is the time to go shopping," said John Bingham, a senior airline consultant with SRI International in London. Some abservers increasingly wonder though whether British

Qantas At a Glance

Original name: Queensland and Northern Territory Aerial Services

Employees: 16,000 Fleet: 33 Boeing 747s and 19 Boeing 767s. Worldwide network: serves cities in 23 countries. Major subsidiary: Australian Airlines, acquired in September 1992, serves 100 cities in Australia;

9,000 employees.

Inter-Asian routes (from Sydney): Japan (4 destinations) Hnng Kong Jakarta Kuala Lumpui Manila

Source: Qantas

Trans-Pacific routes: New Zealand (3 destinations)
Honolutu
Papeete, Tahiti
Noumea, New Caledonia
Nadi, Fili
Port Moresby, Papua New Guinea

Vancouver Los Angeles Johannesburg

Nonstop flights from Britain: London-Bangkok: daily London-Singapore: daily

cently. In recent months BA has purchased Dan-Air of Britain, a 49.9 percent stake in TAT of Now there is Qantas, which is France and an airline now known as Deutsche BA, and next year it

will start a joint project with Aero-flot called Air Russia, which could

still sorting out its September acquisition of Australian Airlines, and quite possibly USAir. BA has bid \$750 million for 44 percent of be flying to Europe as early as next USAir Group Inc.

"Qantas is a bit of a sideshow compared with USAir," said Matthew Stainer, an analyst with Schroder Securities.

Prime Minister John Major will meet with President George Bush this weekend at Camp David, Maryland, and British officials said he would push for approval of the USAir deal and for a related plan to allow U.S. carriers more flights in a greater number of cities in Britain, The New York Times reported from London, The U.S. Transportation Department has said it will rule on the deal, which could eventually cost BA up to \$1.35 billion, before Christmas.]

[USAir delayed a stockholder meeting originally set for Friday until Dec. 24. Reuters reported from New York. The company postponed the meeting because the Transportaunn Department has not yet made its ruling.

The bid has been fiercely opposed by the majnr U.S. airlines, United, American and Delta, They say the stake would give BA far greater access to American markets than U.S. carriers are permitted in Britain, BA has insisted the Americans have no grounds to reject the bid because it conforms with all U.S. laws, including the one that limits foreign shareholdings in U.S. carriers to a minority stake. Some analysts suggest that the

See QANTAS, Page 17

Lufthansa Cuts Some Fares by 30% Fares among most European destinations cur-

By Brandon Mitchener nal Herald Tribune

FRANKFURT - Deutsche Lufthansa AG said Thursday it would slash airfares on some European routes by up to 30 percent on Jan. I in order to jockey for competitive advantage in the European Community single market that comes into existence then.

It is too early to speak of a price war sparked by the end of fare controls, a spokesman for the German flag carrier said. But neither is there any official lower limit to prices in 1993, he noted. Though necessary to remain competitive, the

price cuts will not be welcome at Lufthansa, which like many European airlines has relied on fat profits from European routes to compensate for losses caused by the fare war with U.S. carriers on North Atlantic flights. rently are tightly regulated, with governments prescribing maximum and minimum prices.

Tickets for flights from Germany to Britain, Ireland, Italy, France, Spain, Greece and the Benefux countries are to become considerably cheaper, Lufthansa said. A discount round-trip ticket from Frankfurt to London, for examp will cost 486 Deutsche marks (\$311.66), a 22.5

percent discount from the current 627 DM. Passengers less than 25 years old will also receive an automatie 25 percent discount off the new, lower fares, Lufthansa said.

The price cuts are unrelated to the planned expansion of Lufthansa Express service to nearby European destinations in April, a spokesman said. Lufthansa Express is the more

economic, streamlined division of the airline's German domestic passenger division.

After the beginning of next year, Lufthansa will no longer be protected from fare competition with European carriers that often have significantly lower operating costs and thus lower prices. The airline has said it would cut its workforce by 8,000 over the next several years,

But the EC liberalization policy also brings Lufthansa benefits, Discount tickets, which help attract customers to routes where planes often fly half-empty, are forhidden under Ger-man law but are allowed by the new EC regime.

Lufthansa Chairman Jürgen Weber recently said he expected the airline would have a pretax loss but said it would be well under the loss of

WALL STREET WATCH

Bond Conversion Deal Displays Buffett's Wiles

By Floyd Norris

EW YORK - Warren E. Buffett has an unusual offer for holders of convertible bonds in Berkshire Hathaway. the conglomerate he runs that has made him a hillion-aire. They can receive the current value of the bonds in cash, or take Berkshire stock worth just a little bit less. The offer, made Wednesday in the form of a call of the bonds,

seems likely to set off speculation once again as to what Mr. Buffett, one of the most closely watched financiers on Wall Street, is up to.
On the face of the offer, it would appear that he wants to encourage investors to take the cash, preventing the dilution of his

shareholdings. Mr. Buffett and his wife own 45 percent of Berkshire Hathaway, worth almost \$6 billion, but that could be diluted to 43.5 percent if all the bonds were converted.

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Another interpretation would be that the company fears the stock price will decline and hopes some bondholders will take stock now; if the stock price does fall later, they would be sure to take cash then. If holders opt for cash. Berkshire will have to pay \$477.6 million; its last balance sheet showed \$831 mil-



The zero-coupon bonds, which were issued in 1989 at a price of \$4.431.40 for each \$10,000 bond, are to be redeemed on Jan. 4 at \$5,291.26. Or a holder may convert bonds into stock at a rate that works out to a price per share of \$11,719:29, or 1.7 percent more than the current price of Berkshire stock, \$11,525.

The bonds are trading at about \$5,300 each. That price is slightly above what Berkshire is offering to pay, an indication some traders are willing to bet the stock will rise in the next two and a half weeks.

"Management is making the statement they do not want to issue equity, that they like their stock," a trader said. Such a position could equity, that they like their stock," a trader said. Such a position could cause investors to assume Mr. Buffett knows the stock is likely to rise and is trying to avoid having his holdings diluted. That might make the stock rise. And maybe that was what Mr. Buffett had in mind.

week of Dec. 5 rose by 22,000 after dropping during the previous Thanksgiving week. But the four-week moving average continued declining to 352,000, lowest in two and a half years.

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U.S. Trade Improvement Is Called Unlikely to Last

deficit took a sudden dive to \$7.03 billion in October in a direction that looks nice but is widely believed to be unsustainable.

Analysts said the new data, appearing to go against the grain, may send the administration of President-elect Bill Clinton deeper into a statistical thicket in sorting out its

As the deficit fell from \$8.58 billion in September, exports in October jumped almost \$1.5 billion, to a record of \$39.2 billion, while im-ports declined slightly, to \$46.2 bilion. More than half the export improvement came in jet aircraft, up by \$526 million, and telecommunications, up \$329 million, two volatile categories that rarely repeat their performance.

More important, the economic slowdown in the rest of the world, forecast Wednesday by the Organization for Economic Cooperation and Development in Paris and confirmed Thursday by the Interna-tional Monetary Fund in Washington, means U.S. export he is inaugurated on Jan. 20. improvement is virtually certain to stall as other countries buy less. At few days later, the first figures for the final 1992 quarter's gross the same time, the slow improve-ment in the U.S. economy will be

sucking in more imports. In other economic news, new unemployment claims during the week of Dec. 5 rose by 22,000 after

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Sources: Reuters, Llayds Bank.

Key Money Rates

By Lawrence Malkin

International Heroid Tribune

NEW YORK — The U.S. trade

This year's trade deficit is alpenditure and its dividead in an electron electron electron electron expenditure and its dividead in an electro delicit of \$65.4 billion. In addition. slumps and imports fewer foreign goods. In October, that surplus hit \$5.96 billion, the largest since December 1988.

Japan. During this week's economic conference in Little Rock, Treasury Secretary-designate Lloyd Bentsen pointedly asked what could be done to "open those markets" in Japan to American goods. through mid-1995, also plans to cut He was warned by academic economists there was little he could do until the Japanese economy im-

combined with increased retail buyboost to seek for the economy after

domestie product will be pub-lished, and several forecasters are revising them upwards to show growth at a comfortable rate of 3 percent, almost twice what had been foreseen earlier.

Mr. Clinton told the Little Rock conference he had not yet decided whether to go ahead with a stimu-lus and would not do so until the

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Delta Takes a Knife to Salaries, Dividend Compiled by Our Staff From Dispatches

ATLANTA - Delta Air Lines. awash in losses, on Thursday moved to cut salaries, capital ex-

Delta said management recom-Japan's stubborn trade surplus terly dividend be reduced to 5 with the United States is unlikely to cents a share from 30 cents. That improve as the Japanese economy measure would save \$50 million a

The airline will cut salaries for nonunion workers by 5 percent and will seek a 5 percent reduction in This will only reinforce pressure salaries to union members, aiming on the new administration to im to save about \$180 million. The prove the U.S. trade position with board will take a 20 percent cut in pay; senior officers already have taken a voluntary cut.

The company, which has reached agreement with suppliers to defer \$900 million of aircraft deliveries

capital expenditures for facilities and ground equipment by \$600

million.

In addition, it is negotiating for the deferral of other aircraft deliveries worth \$400 million. expansion plans, citing its move

last week to cancel some planned service to Latin America. "The depth of the cuts is dramatie and drastic, and now the foundation to restore profitability

is in place," said Samuel Buttrick, an analyst with Kidder Peabody & Investors seemed to agree. Delta's stock rose \$2.875 a share, to \$\$1.75, on the New York Stock Exchange. The stock had hit a 52-week low of \$47.75 on Wednes-

Mr. Buttrick thinks the compa-

the new European routes and a company, it is necessary to implement additional reductions." reduced cost structure.

Following a record loss of \$506 million for its 1992 business year, Delta posted a \$107 million loss for the first quarter of financial 1993.

Earlier this year, Delta cut 5,000 jobs, said it would slice capital spending by \$5 billion through 2001, and announced that it would return nine Airbus aircraft to lessors as replacement aircraft are de-

"Delta took a number of aggressive steps during the year to reduce

1994, huoyed by a general industry recovery and eventual profits on in the outside factors that affect the

Delta has had losses of more Mr. Allen cited a weak world than \$930 million over the past 27 economy, hrutal fare wars perpetu-Delta said it may shelve some months, far more than its strug- ated by competitors operating ungling peers. United Airlines and der hankruptcy court American Airlines. der hankruptcy court and escalating costs.

Delta last cut its annual dividend - to 60 cents from \$1 - in 1984. Corp. and Moody's Investors Service Inc. both said they were placing \$5.7 billion of Delta's deht and preferred stock under review for possible downgrades. Such a move would increase Delta's borrowing costs.

Mr. Buttrick said the dividend cuts and cost-cutting moves will be viewed favorably by the rating Mr. Buttrick thinks the company's fortunes could rebound by Allen, said on Thursday. "Howev-downgrade. (Bloomhere Restors) downgrade. (Bloomberg, Reuters)

Improved export performance ombined with increased retail buying may also exaggerate the recovery of the U.S. economy in the fourth quarter, complicating Bill Clinton's decision on how much of a fiscal

By Steve Lohr

NEW YORK - The U.S. economy may be expanding modestly, even adding some jobs at last, but big companies are continuing to cut — a trend that promises to keep the pace of recovery slow.

A recent survey of more than 800 companies by the American Management Association found that one in four is planning work force reduc-tions by the middle of 1993. That is the highest level since the research group began its survey six years ago.

International Business Machines Corp., for instance, announced plans to cut 25,000 jobs next year. General Motors Corp. recently identified nine plants it will close over three years to eliminate 18,000 jobs.

While small and medium-sized companies are starting in hire, it is donhiful they alone can bring joh growth to the levels of previous recoveries. The 45,000 private-sector jobs added to the economy in November, excluding government workers and people employed in the fall political campaigns, were about one-sixth the monthly rate during the 1983-84 expansion.

Some corporations are cutting jobs without using the remaining workers more efficiently.

The cuts began as a competitive drive, but they seem to have become way of life for many companies," said Eric Greenberg, research director for the management association. The real issues that went unnoticed in the executive suites of companies

such as GM, IBM and Sears, Roebuck & Co. were shifts in customer demand, new technologies and distribution methods that changed their markets - changes to which the corporate giants were slow to respond. "The traditional meat-cleaver approach of just cutting people is a strategy for decline," said Michael Hammer, a consultant in Cambridge,

Few observers expect a robust job market soon, even though the hiring outlook for the first quarter of next year is brighter. But with so many big companies not hiring or cutting back, job growth will be meager.

The shrinkage of big companies has a variety of euphemistic labels "restructuring," "downsizing," "rationalizing," and "re-engineering."

Lee A. Iacocca, who will soon retire as chairman of Chrysler Corp., put the automaker through two rounds of wholesale cost-cutting and layoffs in the last decade. But on television last month, he said "I worry, because as we all restructure, if we lay off enough people, there'll be nobody to

A management consultant who is credited with having coined the term "re-engineering," Mr. Hammer is nonetheless critical of the way many companies try to streamline their operations. "Most companies are just shrinking, not changing how they do work," he said.

The American Management Association survey found that fewer than half of the companies that made substantial work force reductions in the

last six years were able to improve their operating profits.

A 1991 survey by Wyatt Co., examining outbacks at more than 1,000 companies in the previous five years, found two-thirds of the companies simply slashed payrolls without trying to eliminate the amount of work. More than 80 percent of the companies were forced to replace 10 percent or more of the people they let go, because necessary work was going undone.



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CURRENCY & INTEREST RATES

Dow Jones Averages

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Stock Indexes

Sources: Reuters, Mattl. Associa London Int'l Financial Futures Int'l Petroleum Factures

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U.S./AT THE CLOSE

Stable IBM Helps Wall Street Rally

Compiled by Our Staff From Dispatches NEW YORK - Wall Street stocks rallied Thursday, drawing encouragement from gains in IBM and Philip Morris Cos. and a rally in over-the-counter issues.

MARKET DIARY

The Dow Jones industrial average rose 14.05 points, to 3,269.23. The Dow transportation average.

N.Y. Stocks

led by the major airlines, soared 32.24 points, to 1,430.47. In the over-the-counter market, the Nasdaq composite average was up 8.83 points, to 658.46, with computer stocks leading the rally.

"There are a lot of boles in this market, but stocks such as IBM seem to bave stopped going down for the moment," said John Blair. head trader at County NatWest Se-

Rising stocks outnumbered decliners by a 9-5 ratio on the New York Stock Exchange, where vol-ume rose to about 248.59 million shares from 241.91 million on Wednesday. Much of the volume was linked to expirations of stock and index options and index futures contracts that come due Friday.

A big drop in the merchandise trade deficit for October also aided market sentiment.

from the company's announcement it would take a \$6 billion charge against fourth-quarter earnings to eliminate about 25,000 jobs and consolidate manufacturing.

Hayes Wheels International Inc. was third, closing at 19½ on its first day of trading. A 8.2-million-share offering of the maker of car and light truck wheels was priced at \$19 share. Hayes was previously called Kelsey-Hayes Wheel.

Philip Morris rose % to 76%. Sev eral analysts repeated buy recommendations on the stock. Shares of Philip Morris were lower in recent sessions amid concerns about the

company's earnings outlook.

Among airlines, British Airways climbed 1% to 45 after the Austra-lian government said it was selling a 25-percent stake in state-owned carrier Qantas Airways Ltd. to the British carrier

Minnesota Mining & Manufac-turing, dropped 2½ to 100½ after Prudential Securities lowered its 1992 earnings estimate and main-tained its "bold" rating on the com-

Intel, which paced the OTC ac-tives, gained 3 to 86½ after a rating upgrade from Alex. Brown & Sons. its stock rose sharply Wednesday after saying it expected to report better-than-expected fourth-quar-Tucson Electric Power paced the Big Board actives, unchanged at 2.

IBM followed, rebounding 1½ to 13% or crosoft gained 3 to 90, Apple Computer increased 1½ to 56%, and took its stock to an 11-year low on took ter earnings. Its gains encouraged a

Dollar Bobs Around In Technical Trading

Compiled by Our Staff From Dispatches NEW YORK - The dollar was generally weaker Thursday in light trading that traders said was domi-

nated by technical factors. The market is directionless." said Robert Near, vice president at Bank of New York, "People are

Foreign Exchange

buying marks for the interest-rate differential." A couple of relatively decent economic reports did not lift the dollar much, analysts said.

The dollar opened weaker against the mark as the German currency posted further gaios against the French franc in European trading. But technical factors took over during U.S. trading

. The dollar opened in New York below support at 1.55 DM but bounced back from that level past resistance at 1.5605 DM. It slipped from there, however, to end mar1.5576 DM compared with 1.5571 DM at Wednesday's close.

The U.S. currency slipped to 1.3975 Swiss francs from 1,3980 but inched ahead to 5.3250 French francs from 5.3220 francs.

The dollar slipped against the yea, to 122.835 yen from 122.980, and the pound gained to \$1.5795 from \$1.5750.

Kevin Weir, a vice president for foreign exchange at Bear, Steams Inc., said two economic reports that could have helped the currency in fact had an insignificant effect.

The Commerce Department said the seasonally adjusted U.S. mer-chandise-trade deficit narrowed to \$7.03 billion in October from a revised \$8.58 billion in September. In a separate report, the Labor

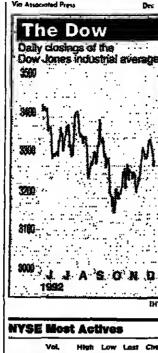
Department said initial claims for stale unemployment insurance on a seasonally adjusted basis rose a smaller-than-expected 22,000 in the week ended Dec. 5 to 347,000 from a revised 325,000.

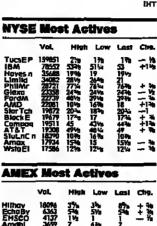
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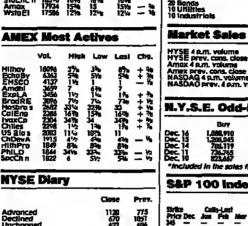
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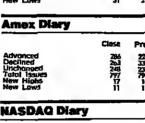
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WORLD STOCK MARKETS





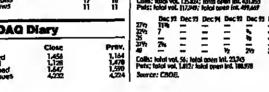




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Standard & Poor's Indexes Est. Sales 37, Open Int. n.c. COCOA (FOX) Nigh Low Close Ch'o High Low Close Ch'er - 239.12 + 1.80 - 294.44 + 2.43 - 212.15 + 5.15 - 104.07 + 0.43 - 195.88 + 1.32 COFFEE (FOX) NASDAQ indexes Jan 1030 1040 N.T. Pi.I. Jun Est. Soies 2,384. Open int. n.c. High Lew Cless WHITE SUGAR IMATIS Dollars per metric familes of 50 tens per metric ten-lets of 58 tens 247.09 247.00 248.00 247.00 251.00 250.00 250.50 257.50 N.T. N.T. 242.00 240.00 N.T. N.T. 242.00 240.00 N.T. N.T. 244.00 244.00 N.T. N.T. 244.00 247.30 **AMEX Stock Index** High Law Clase Clarge 390.54 386.23 390.42 +1.12 **Dow Jones Bond Averages** N.Y.S.E. Odd-Lot Trading 1,844,064 1,897,658 934,696 856,166 913,831 S&P 100 Index Options

O&Y Makes Deal on Office Building

TORONTO (AFP) --- Olympia & York, the troubled real estate giant has reached an agreement in principal allowing a major creditor to take possession of the Aeina Centre, one of Toronto's most prestigious

financial district buildings.

The agreement would allow Prudential Insurance Co.. which holds a 185 million-Canadian dollar (\$144 million) mortgage on the building, to take it over. The agreement was expected to be formalized in court on Friday.

Olympia & York on Wednesday filed a proposal to restructure its debt in Canada of 8.6 billion Canadian dollars. Under the terms of the plan, the Reichmann family, which holds the largest stake in O&Y, would see its assets considerably reduced. its assets considerably reduced.

China Southern Orders Boeing 777s

SEATTLE (AP) - China Southern Airlines has ordered six of the newgeneration Boeing 777 jetliners in a deal valued at \$800 million, Boeing Commercial Airplane Group said Thursday.

The 777 is Boeing's latest model and the world's largest two-engine jetliner. Rollout of the first 777 is scheduled for March 1994. Eleven customers have ordered 118 777s, as well as placing 95 options, Boeing said.

China Southern's 777s will join the airline's all-Boeing fleet of 14 737s, 13 757s and three 767s. The airline operates throughout China and to the Philippines, Indonesia, Malaysia and Thailand.

U.S. Thrifts Show Increase in Profits

WASHINGTON (Bloomberg) - U.S. savings and loan associations carned more than \$1 billion for the third consecutive quarter, as interest rate margins remained wide and troubled assets declined. The oation's private-sector thrifts reported aggregate profits of \$1.27 billion in the third quarter, up from just \$188 million in the same period last year, the Office of Thrift Supervision said.

For the first nine months of the year, profits were a record \$4.05 billion Almost 93 percent of the nation's thrifts were profitable to the third quarter, up from 85.2 percent in the year-earlier quarter. Only two technically insolvent institutions remain, the agency said.

Kimberly-Clark Plans Restructuring

DALLAS (AP) — Kimberly-Clark Corp. said Thursday that it would streamline its European businesses, eliminating 800 jobs through layoffs and early retirement.

The paper-products maker said it would also dispose of older manufac turing equipment in its North American plants. The changes will mean a \$172 million after-tax charge to fourth-quarter results. The company said it was unsure of the breakdown between layoffs and retirements.

In addition, Kimberly-Clark said it would take a \$210 million after-tax charge to comply with mandatory accounting rule changes that are making a dent in the performance of many large companies. The company makes Kleenex tissues, Huggies diapers and other paper products.

For the Record

President George Bush formally signed the North American Free Trade Agreement on Thursday as did Prime Minister Brian Mulroney of Canada and President Carlos Salinas de Gortari of Mexico.

Weirton Steel Corp. said it would lay off up to 500 hourly workers next month because of lingering weakness in the steel industry.

Anheuser-Busch Cos. Inc. said it will adopt accounting changes for 1992 resulting in a cumulative charge of \$76.7 million, or 26 cents a share. The brewing industry giant said it will take a charge of \$319.5 million in the fourth quarter to adopt new accounting standards for printed boults. the fourth quarter to adopt new accounting standards for retiree health benefits, retroactive to Jan. 1. (Bloomberg)

Regardle's magazine, chronicler of the Washington business world, is closing, after struggling for three years to remain on the newsstands, William A. Regardie, the publication's founder and president announced

Procter & Camble Co. said Thursday it had tentatively agreed to sell a pulp plant in Transessee and expects to complete agreements early next year on the sale of all of its pulp plants and timberlands.

(AP)

Ecu Bond Market Shows Some Life

Bloomberg Business News

LONDON — The European Community sold 80 million European currency units (\$101 million) of bonds on Thursday and analysts said the sale showed there is life in the beleaguered Ecu market.

Ecu bonds have been shunned by many since Denmark rejected European monetary union in June. Thursday's Eco bond sale is the first since Aug. 10, when the World Bank sold 50 million Ecu of floating-rate notes.

The five-year, 8.625 percent EC bonds will be fungible with an existing

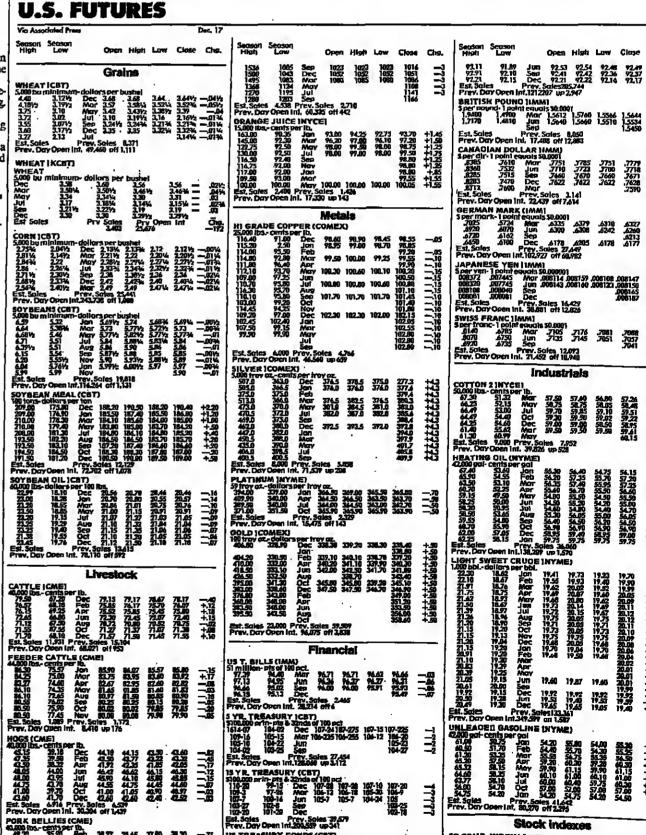
Jonathan Davies, analyst at UBS Phillips & Drew, said there was a happier outlook for the market after the recent EC summit, which pr solutions to Denmark's problems in ratifying the Maastricht treaty.

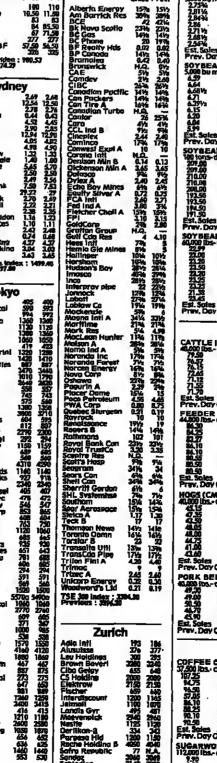
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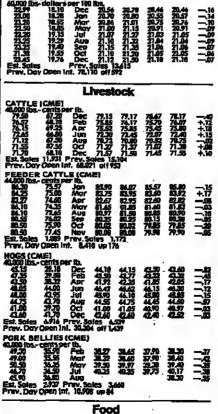
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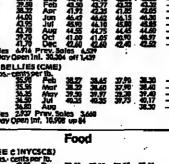
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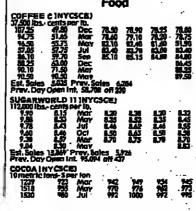
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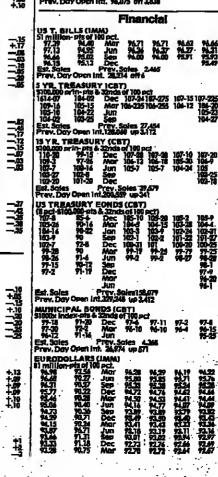


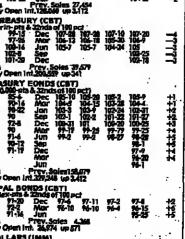


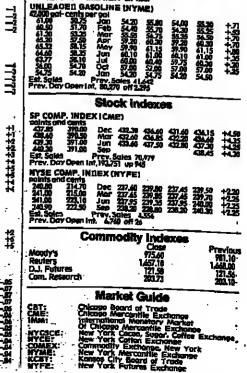












Bundesbank Gets the Blues

would not be concluded this year.

He said that he hoped to con-

clude the talks by the end of Janu-

ary. The government had earlier

wanted to reach such a pact by

The Bundesbank said there were

The situation of

the German

economy has

considerably

worsened

recently.

FRANKFURT -- Germany's economic outlook has darkened recently, as growth slows in the West and an expected upturn in the deoressed East of the country remains clusive, the Bundesbank said on

In its December monthly report, some successful sectors in the East the Bundesbank warned that infla-German economy, notably in the tionary pressures remained despite the slowdown, adding that this meant it would pursue its tight moncarry policies.

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These policies have come under > fire at home and abroad because the German economy provides an anchor for the rest of Western Europe and high interest rates have prevented nations hit by recession from cutting their rates to spur re-

"The situation of the German economy has worsened considerably recently," the central bank said in the opening sentence of its report. "At the same time, the tendency toward rising prices has remained," it added.

The Bundesbank noted that West German economic growth had slowed in the third quarter from the second, while the anocipated upturn in the East was still

not in sight.
In Bonn, Chancellor Helmut · Kohl said Thursday that a "solidarity" pact between the government, opposition Social Democrats, industry and trade unions to boost

Nestlé Repackages

French Food and

Water Businesses

Bloombere Business News

day that it would change the hold-ing company structure for its

French operations, merging the mineral water companies Perrier

and Vittel in one subsidiary and

food operations in another.
The Swiss food company said it

woold put its Vittel water unit with

Perrier, the French water company

it acquired earlier this year after a

lengthy takeover battle with the Ag-nelli family's IFIL SpA. Nestle will

form Nestlé Sources International

SA for the water companies.

The food subsidiaries Sopad

Nestlé, Rowntree Nestlé, France

Glaces Findus, Chambourcy,

Herta, Gloria and Davigel will be

put together into Nestlé France SA.

France in turn will be subsidiaries

of Nestle Entreprises SA, the new

name for Demilac. Demilac was

the holding company Nestle

formed to acquire Perrier.

Both Nestle Sources and Nestle

PARIS - Nestlé SA said Thurs-

service industry, but cautioned that weak exports and high wage rises were hampering economic develop-

The opening of the Bundesbank's report.

East German wages were now about 70 percent of those in the West and could rise to 80 percent next year. Lower productivity means unit wage costs in the East were higher than in the West.

wages to match Western levels by 1994, adding that unemployment remained East Germany's biggest problem, although jobless figures had now dropped back from their

In the West, the high wage rises of the last two years also represented a threat to corporate competitiveness and were hurting employment levels. Trade unions must now start to take greater account of general economie difficulties, the report said.

"Swift agreements on appropri-ately modest pay deals could give companies security for their planning and help monetary policy to meet its goal of price stability," it

It said there were signs this message was being understood. Recent wage deals have been around four percent compared with six percent early in 1992 and seven percent in

The Bundesbank said that recent moderation in union wage demands was particularly important in view of persistent inflationary pressures. It warned these would increase next vear, when value-added tax rises to percent from 14 percent current-

West German inflation was 3.7 percent in November, almost twice the Bundesbank's medium-term goal. Economists expect the tax rise to push the annual rate over 4 per-The Bundesbank called for delays cent.

Jobless Rate CNN Buys Stake Up to 10.3% In German Station In Britain By Brandon Mitchener

October was 10.1 percent.

Sally Wilkinson, economist at Mor-

been forced to cut jobs to defend

profit margins or stay in business in the face of weak demand.

DAF Gets Loans

From Dutch and

EINDHOVEN, Netherlands The Dutch truck maker DAF NV

said Thursday that it had secured loans from the Nationale Invesier-

ings Bank and from NMKN of

Belgium and that it expected a net

loss of more than 100 million guil-ders (\$57 million) for 1992.

DAF had a net loss of 97,4 mil-

lion guilders in the first half of 1992

and about 150 million guilders for

all of 1991. DAF said it had secured a loan

of 67 million guilders from the state-owned NIB that is partially

guaranteed by the Dutch govern-ment. The truck makler originally asked for an NIB loan of 100 mil-

Belgian Banks

gan Grenfell

FRANKFURT - CNN International and N-TV, a fledgling LONDON - Britain's unem-German television news station, on ployment rate jumped to 10.3 per-Thursday announced a technical cent of the work force in Novemand editorial partnership that gives ber, the highest for more than five the American network a long-and a half years, the government sought local foothold and N-TV a sought local foothold and N-TV a said Thursday.

strong financial ally.

CNN is paying an undisclosed amount for new shares in N-TV that The figures suggested unemployment would keep rising oext year irrespective of whether the econogives it the largest single stake in the my recovers from the recession. German station, 27.5 percent. The now 27 months long. deal will include shared editorial of-The seasonally adjusted unem-ployment total jumped by 41,100 persons in November, taking the fices in Berlin and mutual access to

"CNN and N-TV together in total oumber of unemployed to Germany are an untouebable 2.91 million. The jobless rate in pair," said Karl-Ulrich Kuhlo, managing director of N-TV, an-nouncing the partnership in Berlin There have been a few signs of recovery emerging in the economy in recent weeks, and Thursday's figures contained a couple more. The number of job vacancies rose slightafter four weeks of negotiations initiated by N-TV.

N-TV, which has been on the air since Nov. 30, is Germany's first ly, and unemployment in manufacturing, which has soared in recent months, increased by just 13,000. But economists said even if the all-news station. But it will face competition next year, when another German station heavy on news as well as a European news channel economy meets official projections broadcasting in German are sched-uled to begin transmission. of 1 percent growth in gross domestic product next year it would have

little impact on imemployment, a The deal also gives N-TV access lagging indicator.
Unemployment is likely to conto CNN's satellite transmission network, expanding the German sta-tion's potential audience by 35 pertinue rising until early 1994 and peak at around 3.2 million," said eent, to 14 million viewing households, or one-third of the German total. N-TV has been limited to Companies around the globe have cable television subscribers.

Mark Rudolph, London-based director of CNN's international marketing, said the station, which is owned by Turner Broadcasting Systems Inc. of Atlanta, is also

Europe and would pursue expansion plans together with N-TV.

Analysts said German is shaping up to be a key battleground in the contest for European news viewers, with CNN now having positioned itself to command the German market before competitors such as Eurooews, a multilingual oews channel based in Lyon and due to be launched next summer, even en-

"It certainly fits in with the CNN strategy to focus on their international operations and double the size of those operations by the end of 1993," said William von Mucffling, a media analyst at Deutsche Bank Research in Frankfurt.

The editorial alliance with N-TV helps CNN beef up its international coverage, he said. Although about balf of CNN's 50 million viewers live in Europe, the channel still tends toward a heavy diet of news from the United States.

ZDF, a German state-owned staoon that had been in talks with CNN over a joint venture, said it was disappointed about the devel-opment but added that it did not come as a surprise.

[The ZDF director-general, Di-eter Stolte, said that now, "the main thing for ZDF is in set its sights on an even more competitive partner," according in an Associat-ed Press dispateb from Berlin.

[But Mr. Kuhlo of N-TV asserted that it would be unfair and illegal for the public broadcasters to spend more to develop a new service. The is owned by Turner Broadcasting public stations, supported by fees Systems Inc. of Atlanta, is also paid by owners of TV and radio sets, looking at other partnerships in are already over budget, he said.]

Investor's Europe Frankfurt FTSE 100 Index CAC 40 2100 1700 Exchange Thursday Change Close **CBS Trend** 103,10 -0.10 103.00 Amsterdam 5.448.97 5,447,44 +0.03 Brussels Stock Index DAX 1,472,07 +0.28 Frankfurt 1,476,17 Frankfurt FAZ 581.57 580,89 +0.13 HEX 830.61 847.00 -1.94 London Financial Times 30 2,092.50 2,081,60 +0.52 London 2,740.30 2,732.60 +0.27 213.74 214.84 -0.51+2.34 832.00 813,00 **CAC 40** 1,735.23 1,736.69 -0.08Stockholm Affaersvæerider 980.53 974.29 +0.64 Vienna Stock Index 339.83 -1.46

Very briefly:

Hungary, Czechoslovakia and Poland are expected to sign a free-trade nent Monday that would slash duties on industrial and agricultural goods by 2001, Hungarian Prime Minister Jozsef Antall said.

• Finland recorded an unemployment rate of 16.9 percent to November, up from 16.2 percent in October, the Labor Ministry said.

 Credit Lyonnais's proposed acquisition of BfG Bank from AMB Aschener & Münchener Beteiligungs AG was likely to fail following new demands from the French bank, sources close to the talks said. • Istituto Finanziario Industriale, the Agnelli family bolding, said net profit fell 31 percent to 146 billion lire (\$104 million) in the six mnnths

ending in September and cited reduced dividend payments from Fiat SpA in which 1FI holds a 28 percent stake. Netfloyd Groep NV supervisory board member Torstein Hagen will try to force the company to sell its ocean shipping business. Lloyds List said.

 Hollandsche Beton Groep NV and Guintoli SA of France won a contract valued at 50 million guilders (\$28.6 million) to construct a new Paris subway station due for completion in 1995,

SFI Inc., a U.S. food retailer owned by Casino SA of France, has formed a joint venture with Central Detallista SA in Mexico to operate wholesale

Finnair Will Lay Off Staff In Rotation in Early 1993

HELSINKI - Finnair, Finland's state-run airline, will temporarily lay off its entire staff in Finland on a rotating basis for a month

early next year, the company said Thursday. Finnair, which is running at a big loss, said it would lay off its 7,600 workers during the first three months of next year. The company also plans to cut its work force by 500 oext year.

Last month Finnair announced losses in the April-September period — the first six months of its budget year — of 197 million

markkaa (\$38.7 million).

In Brussels, Belgium's national air carrier, Sabena, announced that it had reached agreement with unions that would allow a vital restructuring plan to go ahead. Unions had protested job cuts involved in the restructuring, which was put into effect after Air France took a 37.5 percent stake in Sabena. The restructuring includes more than 2,000 job cuts over two years. (AFP, Reuters)

Barclays Shares Lower on Write-Off

LONDON — Barclays Bank PLC's share price fell sharply after the company announced a write-off of £196 million (\$124 million) against its holdings in Imry Holdings Ltd., a real estate developer. Analysts said the announcement, although expected, focused investor concern on whether Barclays will maintain its final dividend.

Barclays shares fell 9 pence, to 379 pence. The shares had fallen close to that level shortly after the Imry announcement, but had recovered to 381 until news of a downgrading by Moody's Investors Service of its long-term debt caused the shares to fall again. Moody's cut Barclays Bank's senior-debt rating to Aa-2 from Aa-1.

A Panmure Gordon analyst, Tim Clark, said the write-off was about £50 million more than he had expected.

Breakup Proposal Lifts Shares in British Gas

LONDON - The stock of British Gas PLC rose Thursday after a regulatory body recommended that it be split into two companies to

Analysts said the prospect of separate stock listings was attractive to investors who concluded a breakup would lift the market's valuation of the company's assets. British Gas rose 3 pence, to close at 273 pence (\$4.30) a share.

But industry analysts said British Gas was likely to light hard against the proposal made late Wednesday by the Office of Gas Supply, with which it has been engaged in a long dispute over pricing. The Ofgas statement, from its director-general, Sir James McKin-

non, recommended the company's transport and storage businesses be put under separate control and ownership from the rest of British Gas. "If the cost of the system falls the cost falls for everyone," Sir James said in a television interview Thursday, adding, "I think if the company is split you may see an improvement in the share price."

John Willis, an analyst at Yamaichi International (Europe), agreed that a breakup would create more value for shareholders. The transmission and storage business accounts for 75 percent of the company's revenue and would have a market capitalization of £9 billion-£10 billion if separately floated on the stock market, Mr. Willis

The transportation and storage business would have on diversification risk and could generate an annual net profit of £800 million-£900 million, Mr. Willis said. (Reuters, Bloomberg, AFX)

added. British Gas's current market capitalization is £11.6 billion.

QANTAS: BA Outbids Singapore Airlines for Stake

(Continued from first finance page)

deal may now hinge on an agreement by which British Airways would be granted the right to block

Although BA will will have three geats on the 12-member. Qantas board it has not been granted any veto powers. Analysts argue that unlike USAir Contests is a bealthy care. major decisions reached by USAir's board via so-called super-

majority voting rights. "BA really wants the super-majority veto, but it is totally unpalat-able to the U.S. government, said Carol Hamcke-Onstwedder, an analyst with Morgan Stanley.

: Sir Colin Marshall, BA's chief exccutive, recently identified that veto power as the crucial element in the deal that could prevent his company from reliving what is widely seen as the unhappy experience of KLM Royal Dutch Airlines. Several years ago, KLM paid top dollar for a minority stake in Northwest Airines, and subsequently has found itself all but powerless to stop

Northwest's slide. The problem is that BA's supermajority agreement is read by some as giving a minority shareholder some of the powers normally associated with a majority. That incongruity has provoked howls of outrage.

like USAir, Qantas is a bealthy carrier and the Australian market is not nearly as saturated as the American market. In short, the risks there are sufficiently smaller that BA may not feel it needs the insurance policy of

the super-majority.
Through its stake in Qantas, BA will now not only have a strong network in Australia to feed passengers into its international routes, but it also gets access to Qantas's hubs in Singapore and Hong Kong.
"They get all that for less than
the cost of four jumbo jets," said

Mike Stoddard; an analyst with Charterhouse-Tilney. Ms. Hameke-Onstwedder of

Morgan Stanley has praise for BA's management but also a caveat. "My greatest concern is that management may have gone on one shopping spree too many," she said, noting that all these new operations will require a great deal of management's time to sort out

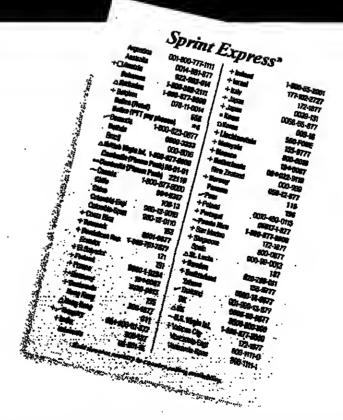
on a level previously unavailable to

"It is an alliance that will create opportunity for competitive growth and expansion on a level previously unavailable to either airine," Sir Colin said. "Further, the economics of scale made available through the alliance will give greater scope for the future profitability of both companies."

The Qantas management is the remain the same under the agreement, but BA and Qantas will set up a coordinating committee and will develop a 10-year agreement to govern any cooperative ventures.

carlier this year with Australia's internal domestie carrier, Austra-lian Airlines, which has been losing money. As part of the BA deal and to pave the way for the complete privatization of Qantas, the Australian government agreed to inject \$925 million in capital into Qantas, more than doubling its net worth.

Announcing an easier way to call a foreign country when you're already in one.



GATT: Officials Fear Accord May Be Months Away agreement reached by EC farm had sought a 2.5 million ton quota ministers in Brussels still had holes. which would have been similar to

from larm products to telecom munications, might provide a sharp boost to the stagnant world econo-

A quick agreement is important partly because 18-year-old American legislacion will expire in March that has allowed presidents to negotiate trade agreements and submit them for consideration by Congress with no amendments permitted. If this "fast track" legislation is no longer in place, Congressional approval could be a very

lengthy process.
Althrngh EC negotiators in Washington in November were supposed to be representing the agreed position of member countnes, France, the largest European agricultural producer and exporter. has reacted angrily to the accord, under which subsidized grain exports from the Community would be reduced by 21 percent and oilseed production cut back sharply.

It is still not entirely clear, how ever, how much of the French posioon amounts to posturing aimed at gaining concessions in other areas like financial services and telecommunications.

Tran Van Thinh, the chief EC delegate to GATT and a French national, said Thursday that negotiations must continue in Geneva and that a final decision by the European Community, including France, would be made only when a complete GATT package was in place. France has threatened to veto an accord at this stage if its farmers do not secure a better deal.

■ Gaps in EC Farm Accord Diplomats cautioned that the

Portugal will not initially be part of the single market after it rejected compensation in exebange for bringing forward the end of temporary benefits granted when it joined

the Community in 1986.

Denmark had a more general reservation connected with the need to consult its parliament, while Germany objected strongly to a new Community banana trade regime based on tariff quotas for imports of bananas mainly from Latin America.

tariff qunta of 2 million tons a year was too low, that import licensing and that a tariff of 850 European Currency Units (\$1,067) a ton on imports above the quota was pro

Germany, seeking cheap banana supplies and a liberal trade regime,

the Community's existing level of imports.
But France demanded a quota of

only 1.4 milbon tons to protect high-cost growers in its Caribbean territories and in African, Caribbe an and Pacific countries

mise on financing farm trade. They scrapped a system of border taxes and subsidies on farm trade within the EC but, under strong German pressure, kept a costly switchover mechanism protecting farmers in A German spokesman said that a strong currency countries from price cuts after monetary realign-

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U.S. Tariffs Worry Korean Chipmakers

By Andrew Pollack New York Times Service

SEOUL - When Samsung Electronics Co. decided to enter the computer memory-chip. business in the early 1980s, it tried to license the technology it needed from many American and Japanese companies.

Texas Instruments refused. Motorola refused. Every company refused us," recalled Kim Kwang Ho, president of Samsung's senteconductor division. The only company that would agree, he said, was a tiny start-up in Boise, Idaho, called Micron Technology Inc. "Micron is our teacher, and we willalways respect them," Kim Kwang Ho said. But student-teacher relations are strained.

Samsing has grown virtually overnight into the world's top producer of dynamic randomaccess memory, or D-RAM, chips. And its former teacher threatens to destroy its business by getting the U.S. government to im-

That is a worrisome prospect both for U.S. computer makers that have grown used to chean D-RAMs from and for South Korea, which prizes the business as one of the few fields in which it can compete technologically with Japan and the United States.

Samsung in particular appears able to beat most, if not all, of the Japanese giants to market with the next two generations of chips, capable of storing 16 million and 64 million process of information.

But that may be worth little if Samsung is knocked out of the U.S. market. Earlier this year, Micron, one of the few remaining

iness News

NEC Buys Stake

In Control Data

TOKYO -- NEC Corp. said

Thursday it has acquired 4.99 per-

cent of the equity of Control Data Systems Inc., the U.S. maker of

NEC will pay 660 million yen (\$5.36 million) for 623,800 shares in

NEC will supply high-powered.

desktop computers to Control Data, which can sell the units under its

own name in the United States.

Bloomberg Bus

large-scale computers.

Control Data.

American memory-chip producers, filed a complaint with the Commerce Department accusing Samsung and two other South Korean semiconductor companies of dumping D-RAMs, selling them at unfairly low prices in the United States.

In October, the commerce agency agreed with Micron and imposed preliminary duties that would force Samsung to raise its prices in the United States by 87.4 percent.

The two other companies, Hyundai Electronics Industries Co., and a unit of Lucky-Goldstar International Corp., were assessed penalties of 5.99 percent and 52.41 percent, respectively. The duties are intended to raise prices to what they would be if the maker were recovering its costs plus a reasonable profit. The South Koreans contend they are

If a final ruling in March confirms those penalties, it would effectively wipe Samsung and Goldstar out of the American market and deal a blow to their aspirations in the overall semiconductor market.

Most analysts expect the final tariffs to be cut sharply from the preliminary ruling. But in the curthroat D-RAM business, "even a 10-percent tariff would be difficult," Kim Kwang Ho said.

But dumping duties, if they are permanent, could also hurt U.S. computer companies, which have welcomed the low-priced South Korean chips as a way to hold down costs and prevent a near-monopoly by the Japanese in the business.

South Korean companies supply about 25

percent of the United States market and the world market, according to Dataquest, a market research firm.

Executives and analysts said that if the dumping margins are made permanent, prices for D-RAMs in the United States will be higher than those in the rest of the world, most notably in Southeast Asia, where excess South Korean chips would probably go. That could prompt U.S. companies to move more of their personal computer manufacturing abroad to be able to use less expensive parts.

■ Japanese to Increase Output

Two leading Japanese makers of memory chips, NEC Corp. and Toshiba Corp., plan to increase output by working over the New Year's vacation period, company spokesmen said Thursday, according to a Bloomberg Business News report from Tokyo.

A spokesman for Toshiba said the company was negotiating with its work force on the issue. Workers would be given vacations at a later date and would be paid overtime.

An NEC executive, Mark Pearce, also confirmed thet his company was asking a number of its factories to work through the vacation, but said that full details of the arrangements were still being worked out.

The news caused a rally in electronics stocks as investors took the report as indicating signs of an economic recovery.

NEC's stock rose 17 yen, to 682 (\$5.54). Toshiba gained 11 yen, to 636, and Mitsubishi Electric rose 6 yen, to 478.

IBM to Slash Up to 1,500 Jobs in Asia

TOKYO - IBM is likely to cut around 1,500 jobs in the Asia-Pacific region, but is hoping it will not have to break a major taboo of corporate Japan by laying

off workers there, a spokesman said on Thursday.

For Asia overall, we reckon in the neighborhood of 1,500," said Mac Jeffery, spokesman for the Asian operations of International Business Machines Corp. We don't think we're going to need to lay off people," he said. "But we cannot rule it out 100 percent."

Mr. Jeffery said the president of IBM Japan had sent a letter to all employees, assuring them that he had not yet made any plans to abandon the country's corporate tradition of the life-time employment system. IBM announced plans Tuesday to cut 25,000 jobs. It employees 30,000 people in Asia, and about 80 percent

are in Japan.

But business in Asia was faring better than in other parts of the world and was likely to experience less upheaval, said Mr. Jeffery. "It will be much more modest than in the U.S. and Europe," he said.

He said plans to reduce the number of workers in

Asia had not yet been ser out. But he added that Asian subsidiaries would lose staff through attrition and cluntary programs if possible.

The current economic downturn has severely pressed Japan's computer industry, and several large companies are shedding jobs. Yet all vigorously deny they intend to lay off staff.

Westpac Shakeout **Fells Key Director**

SYDNEY -- The managing di-rector of Australia's embattled Westpac Banking Corp. resigned on Thursday, delivering a shock to investors already stung by big losses, a failed rights issue and

board upheaval. Frank Courcy's resignation came ahead of, and some analysts said because of, the impending arrival on the board of Kerry Packer, Australia's richest man and now the bank's

second-biggest shareholder.
Analysts said Mr. Conroy's resignation, after just over one year in the position, took the market by surprise.

Some believed he was forced to resign because he disagreed with cost-cutting proposed by Mr. Pack-er, who has accepted an invitation to join the Westpac board after acquiring a 10 percent stake in the bank last month.

"You might as well say Packer is running the board even though he's not on it yet," said one analyst. The analyst, who did not want to be named, said Mr. Conroy's resignation was a negative development for the ailing bank. "It highlights the level of conflict at the higher hoard level over the extent of cost-

cutting in Westpac," he said. On Wednesday, Westpac admit-ted it was reviewing operations at its headquarters but denied a newspaper report that the bank planned to cut its staff of 1,100 by up to 60 percent.

Westpac shares rose one cent, to 3.04 Australian dollars (\$2.09) Thursday, but that was below the intra-day high of 3.09 dollars.

Chairman John Uhrig said a new chief executive would be appointed from outside the bank. He said Mr. Conroy's resignation followed discussion by the board "of the need for the leader of the bank's change program to be someone who comes fresh to the task."

Mr. Uhrig will act as executive

tive is appointed. The board expected to appoint someone before the annual meeting on Jan. 19. Mr. Conroy's departure follows

those of former Westpac chairman, Sir Eric Neal, and four other directors who resigned in October after the bank's recent poor perfor-mance. Westpac recorded a nex loss of 1.56 billion dollars for the year to September after posting profit of 476.4 million dollars the previous

"It just means that the process of cutting costs at Westpac is going to be more drastic and executed more quickly than people thought," said Martin Duncan of BT Securities.

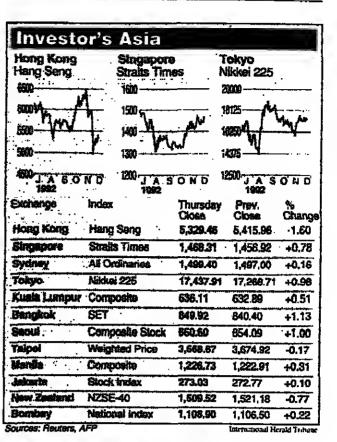
Sales of Steel Surge at BHP

MELBOURNE - Broken Hill Pry., Australia's giant min-ing and steel concern, said Thursday that domestic sales of steel were surging ahead of last year's levels. The strong sales indicate that Australia may be

emerging from recession.

BHP's November sales report showed that domestic steel deliveries for the six months ending Nov. 30 were up 7.2 percent from a year earlier, at .7 million metric tons. Domestic steel deliveries in five of the last six months have exceeded

vear-earlier levels. Steel in Australia is used primarily in auto production, housing and the manufacture of durable goods, and the strong sales are taken as a positive sign for these sectors. The company is scheduled to an-nounce its half-year earnings



Very briefly:

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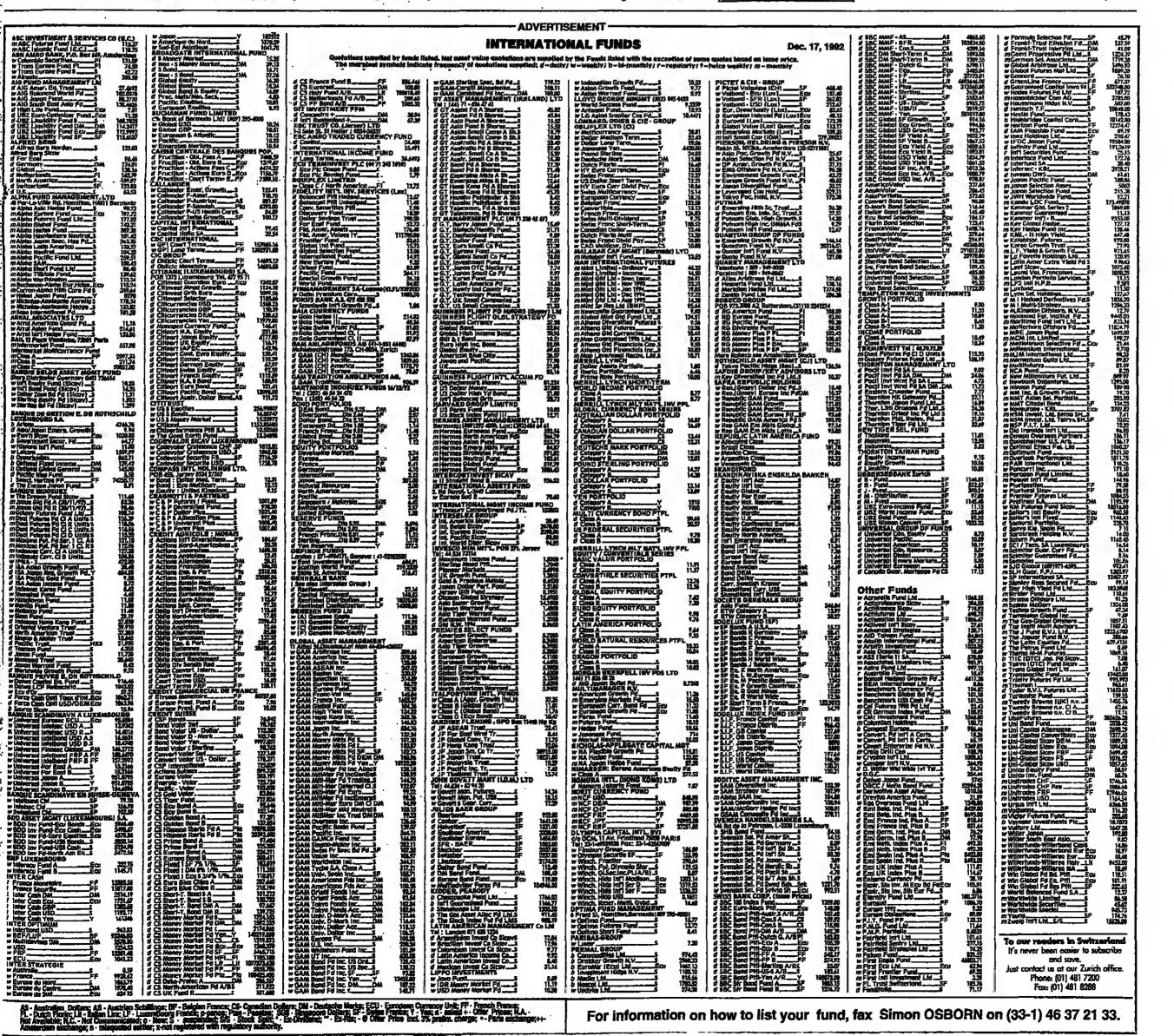
 NZ Rail is to be sold to investors by negotiated tender, the New Zealand government announced; news reports estimate the value of the freight and passenger railroad system at 300 million dollars (\$155 million.)

 The Japan Automobile Manufacturers' Association said domestic automobile sales were expected to rise between 1 percent and 2 percent in 1993, after a sales fall in 1992 of 7.4 percent, to 6.97 million units.

. Full Kiko Co., a maker of auto parts that is affiliated with Nissan Motor Co., is to acquire FFV Antotech AB, a Swedish parts concern, for 500 million yen (\$4.1 million) from Celsius Invest AB.

 Japan's Ministry of Finance, hoping to case the pain of deregulation for brokerages, will put strict controls on subsidiaries of banks set up to do securities business; the guidelines cover the pace at which banks would set up new business and include measures to avoid conflicts of interest. Australian Airlines' commercial paper rating of Prime-1 has been placed under review by Moody's Investors Service for possible downgrading because of the sale of a 25 percent stake in its parent, Quntas Airways. · Australia's opposition coalition is expected to state its intention Friday to speed up the sale of the Telecom communications network if it comes to speed up the sale of the referent community to power, the Sydney Morning Herald reported.

AFX, AFP, Bloomberg, Remen



SPORTS TENNIS

Stellar Record Earns Gorman **Another Year as Cup Captain**

By Robin Finn
New York Times Service

NEW YORK — It was always obvious, especially to John McEn-foe, who hankered for the job, and the U.S. Tennis Association finally made it official: the captaincy of the U.S. Davis Cup team has again been awarded to Tom Gorman, the been awarded to Tom Gorman, the seven-year veteran who guided the team to championship seasons in 1990 and 1992.

"Our mission is to repeat in 1993, and I hope it's the same team," said Gorman, whose expanded USTA duties will include the guidance of junior players in the player development program. Gorman said Wednesday that he intended to ask Andre Agassi, Pete Sampras, Jim Courier and MeEn-roe, whom he called "the glue that 'solidified" this year's team, to re-

. "I think they're the best Davis Cup team the United States has ever had," Gorman said.

The decision to give Gorman a new one-year contract was made by

Fraser, on the basis of Gorman's tinct possibilities that could be a record 17 victories (the most for any Davis Cup captain), three straight trips to the final and two titles.

The bottom line is that he truly has earned it," said Fraser, who was not unaware that the players have the players' continued support. And I personally would love

to have John back oo the team."
McEnroe said last week in Munieh that he did not want any play-er to boycott the Davis Cup on his behalf should he fail to become the

captain.
"I feel like I could do a good joh
as Davis Cup captain," said McEnroe, who has played on the team for
a dozen years. "But you don't
change a winning formula. If it's
not meant to be, I'll get by. But I
want to make it clear that I don't think they should say, 'We are not playing if John's not the captain.'" Whether the team will have to get by without McEnroe's services

the new USTA president, J. Howard next year is another of those indisbyproduct of Fraser's decision.

"It would have been very difficult for the USTA to reach any other decision in the light of Tom's recent success," Sampras said Wednesday from his home in Flori-

Of the 1992 quartet, only Courier has unconditionally declared himself ready for a return in 1993. Agassi, who hopes to add McEnroe to his coaching staff next year as a "personal adviser," is adamant about keeping the 1992 squad to-

"When you have four players like this that can be on the same team, it would be a crime not to have it happen," he said. "But I don't think we have a desire to make John want to play; we'll leave it in his hands."

The team's first-round obstacle is a March date with Australia in Australia on grass, the surface that made both McEnroe and Agassi

the Irish Open, the European Open, the Scandanavian Masters and the World Match Play.

In the four major championships, around which Faldo builds his entire year, his cumula-tive total was 13 strokes better than that of the

Even more than in 1990, when he won the

Masters and the British Open, Faldo main-tained the kind of consistency thought by many

From early May intil mid-September, over a stretch of 12 tournaments, Faldo did not finish

below the top eight in any tournament, anywhere. In 26 individual events around the world

Whatever the pure numbers, the year has

It came after a disappointing 1991, when for the first time since rebuilding his game in the mid-1980s, Faldo's progress actually halted. He

won only one tournament, and did not finish in

"I had to learn how to cope with my game being off," he said. "At first it was tremendously frustrating. The breakthrough came when I finally realized that you can't hit the ball as well as you'd

like all the time. There is a human element."

But with acceptance of limitations came more work to eliminate them. In collaboration with Leadbetter last winter, Faldo struggled to employ

an unvarying spine angle throughout his swing.
"The changes I was making felt very awkward,"
said Faldo. "But one day David showed me some
film of Sam Snead and how beautifully his spine
stayed straight, and it suddenly clicked. That

The revelation freed Faldo to progress be-

yond a somewhat robotic approach to the game, and employ the kind of creativity that his

notmaking had previously seemed to lack.

This new skill came to the fore in the final

round at Muirfield, when Faldo hit a soft, faded

5-iron under a strong wind that led to a crucial birdie on the 15th hole.

old style of play by really working the ball and shaping his irons shots," said Leadbetter. "It's given him another dimension where he can hit

what we call 'feel' shots and really carve the ball

"Nick has actually gone back to more of the

picture of Sam is the one I keep in my head,"

this year, he has won more than \$2 million.

been Faldo's most emotionally satisfying.

the top 10 in any of the four majors.

next best player, Nick Price.

to be a thing of the past.



Wayne Gretzky on the ice again; the Kings hope that he can resume full-contact practice within the next two to three weeks.

Jamaica: All Eyes on Faldo And His Eye's on the Ball

By Jaime Diaz New York Times Service

MONTEGO BAY, Jamaica - Nick Faldo's hold on his position as the No. I golfer in the world goes far beyond possessing a swing that is now being modeled on the secrets of Sam Snead and Ben Hogan.

The force of Faldo's grip at the top is conveyed in his relentless desire to improve, in his

chilling demeanor during competition and perhaps most graphically in the torrent of tears he couldn't control after winning his third British Open, at Muirfield, Scotland in July, Unlike others who have reached or ap-

proached golf's pinnacle, the 35-year-old Englishman never complains about the costs. He

simply wants to be there more than anyone else.
"Niek just loves the fact that he is the best,"
said his longtime coach, David Leadbetter. "He is always conscious of not letting up, always totally focused oo getting that little bit better. When you've got that kind of unbelievable drive, and a lot of talent, there is oo telling what

you can do. Beginning Thursday at the \$2.7 million John-nie Walker World Championship at Montego Bay at the Tryall Golf Club, Faldo will attempt to put an exclamation point on what has been the atest season of his 16-year professional career. in a field of 28 of the best players in the world, ... he is taking dead aim at a first prize of \$550,000

in the richest golf tournament ever held.

"It's a good event that got off to a very good start last year." Faldo said. "It's not a major, but I think it's already bigger than a regular event. If they keep going for 20 years, it could really be something."

Faldo's presence makes him the favorite this

week oo a windswept, seaside course whose

rough is thickly gnarled.

"Nick is obviously the best player, especially on this type of course," said Fred Couples, the defending champion and No. 2 player in the Sony rankings, who will be paired with Faldo in the first two rounds. "He is so good at maybe not having his best round but still shooting a good score. I'll pay attention and watch him play."
Indeed, Faldo in 1992 has been mesmerizing.

Besides taking the British Open in heroic fashion, he won four other European tour events:

Couples to Play More in Europe

MONTEGO BAY, Jamaica — Fred Couples, the 1992 Masters champioo and winner of \$1.3 million on the U.S. tour this year, said he wanted to play fewer tourna-ments overall in 1993 hut more in Europe. "It's a Ryder Cup year and it will help me prepare, plus I like to play in Europe," said Couples, who was a star of last year's victorious U.S. Ryder Cup team.

Couples, who this year played in two events in Germany, the British Open and the Dunhill Cup, said be found playing in Europe a valuable learning expenence, "Barry Lane is a great player and a lot of our guys don't even know who be is," he said of the 32-year-old Englishman who won the German Masters, where Couples placed 27th

And of Nick Faldo, he said, "It's good to play with Nick. He's the best player, I pay attention when I watch him play."

But Couples won't have to go to Europe to get his next look at his chief rival. He is playing with Faldo for at least the first two days of this week's tournament.

Along with Snead, the premier exponent of

the "old style" was Hogan, the player-Faldo reverse more than any other. Faldo considers Hogan's lower-body action the finest the game has ever seen, and his legendary concentration

When a meeting was arranged in November

Worth, Texas, Faldo admits he lost his self-

"I don't know of any other man in any other sport who has so much mystique," said Faldo. "I bowled into his office like a schoolboy going to

see the headmaster, not sure if I had been good or bad. He said be guessed I was doing all right."

profound encouragement of one perfectionist

Faldo took that cryptic assessment as the

The man who has turned to the best of the

past to map out his future sees even better years than 1992 ahead.

a personal model.

Talented Young Nordiques Make Use Of Forum to Revive Quebec Rivalry

ing to give their northern neighbors their doe as a legitimate challenger

in the Adams Division, even

though Quebec's 2-0 record against Montreal suggests otherwise. An

NHL doormat last season, the up-start Nordiques trail division lead-

NHL HIGHLIGHTS

The Montreal Canadiens and Quebec Nordiques can't agree on whether the old rivalry between the

two National Hockey League clnbs has resurfaced. But rivalry or not, the latest showdown between the unfriendly provincial neighbors was no con-

Mats Sundin scored a goal and got three assists, Martin Rucinsky scored twice and Andrei Kovalenko once to pace the resurgent Nordiques to a 5-1 romp over the

home-and-home series. "We're two French teams," said Sundin, whose Nordiques say the

rivalry lives again. "It reminds me of Sweden - the games between the two teams from Stockholm were real intense. Mon-

treal is a great team but we are getting better." The proud Canadiens, who lost for just the third time in 15 home

er Montreal by just two points in the Adams with 40 and are unde-feated at 4-0-1 their last five games. Still, old habits and old Habs die Canadiens in the first game of a

"Heck, there's oo rivalry at all," insisted the Canadiens' veteran forward, Brian Skrudland. "They're oot the same team they were in the good old days. They're just another team that we have to beat."

Yet the Nordiques, whose roster is bursting with young talent, are threatening to follow the footsteps of 1980s juggernaut Edmonton and reigning champion Pittsburgh as

tory at the fabled Forum no longer

"I find comfort in beating every-body, not just Montreal," said Ron Hextall, who stopped 35 shots and helped blank the Canadiens on seven power plays. "But you can feel the excitement" at the Forum. Joe Sakic added a goal and two assists for the Nordiques. And Sun-din, with his four-point perfor-

in league scoring with teammate Sakie and Los Angeles' Jari Kurri, All three have 51 points, Sakic and Sundin each have 23 goals. Hextall's shutout was spoiled by Kirk Muller 30 seconds into the third period, Quebec was 3 for 9 on

mance, moved into a third-place tie

the power play.
Oilers 4, Canucks 2: In Edmonton, Alberta, Esa Tikkanen and Craig MacTavish each scored short-handed in their team's three-goal first period that helped end Vancou-

Outlook On Gretzky **Brightens**

By Lisa Dillman

Las Angeles Times Service INGLEWOOD, California Wayne Gretzky has progressed so quickly on his rehabilitation schedule that the Los Angeles Kings hope he can resume full-contact practice within the next two to three weeks.

If there are no setbacks, Gretzky could be back to the lineup in six to eight weeks, according to Barry Melrose, coach of the National Hockey League team. Gretzky has oot played since he suffered a her. niated thoracic disk during training

camp in September.
"We're very optimistic," Mekrosi said. "Late January or early Febru-ary — that's what we're hoping." Gretzky, who skated for 30 to 40 minutes Wednesday morning at the Kings' practice facility, said: "The last month has been frustrati

I've been pain-free, so I feel like I ean play. But I can't yet." Gretzky skated with Tomas Sandstrom, who is sidelined because of a hroken left forearm. Sandstrom could be back in the lineup for Tuesday's home-ice game against Vancouver, Melrose Sandstrom wasn't as optimistic

saying his prognosis hinged on a visit to the doctor on Monday for another X-ray. He has been out since Toronto's Doug Gilmour slashed him on Nov. 21. Melrose said he will keep Jari

Kurri at center when Gretzky re-

How will Gretzky's return affect the Kings' newfound unity?
"If Wayne was selfish, it would be a problem," Metrose said. "But Wayne's not like that, The kids are dying to play with him. They don't even know what to say to him because they haven't been around

him. He's not a bad person, so it's oot going to be a problem." Gretsky said that "as time went on, I missed it more and more. You learn how much fun it is and how much I enjoy the game.

"It may have been something I needed. I put so many years in since I was 17. So many pressure situations. Maybe it was a way to give me a break for a few months and slow me down and throw me back into the lion's den."

Glavine to Stay With Braves

Compiled by Our Staff From Dispatches ATLANTA - Left-hander Tom Glavine and the Atlanta Braves agreed Thursday on a four-year contract, with a club option for a fifth year, worth a reported \$25 million.

Glavine, 26, the only pitcher in the major cagues to win 20 games in each of the last two seasons, would have been eligible for free agency after the 1993 season.

He was 20-8 with a 2.76 carned-run average in 1992 and 20-11 with a 2.55 ERA in 1991, when he won the National League Cy Young Award. The Atlanta Journal-Constitution reported that Glavine will receive an average of \$5.125

million per year during the five years.

Free agent reliever John Candelaria, 39, earlier reached agreement with Pittsburgh on a one-year deal for \$760,000. He was 2-5 with five saves

and a 2.84 ERA for Los Angeles last season. He began his career with the Pirates in 1975. The Pirates and shortstop Jay Bell, who had been eligible for salary arbitration, agreed on a one-year contract for \$2.6 million.

But the agents for first baseman Mark McGwire and outlieder Ruben Sierra of the Oakland Athletics said they weren't close to contracts. Both agents said they will reject arbitration offers before Saturday's deadline

The attorney for Marge Schott met Wednesday with a lawyer representing the National League, but neither side appeared to be in any burry to reach a conclusion on what disciplinary actions, if any, will be taken against the Cincinnati Reds' owner for alleged and admit-ted racial and ethnic remarks.

IF I DO TEN SPONTANEOUS ACTS OF GOOD WILL A DAY FROM NOW UNTIL CHROTAMS, SANTA HILL WARE TO BE LENIENT IN JUDGING THE REST OF THIS LAST YEAR! I CAN I A UNIT TURNED

CAN CLAIM I'VE TURNED A NEW LEAF!

Another Tragedy For Hall of Famer

The Associated Press PERRY, Oklahoma - A year after a car

s wife, the piritriend of Hall of Fame pitcher Ferguson Jenkins has killed herself and his 3-year-old daughter. According to the Noble County sheriff, Jerry Cook, Cynthia Takieddine, 44, told Jenkins, 48, she was leaving their ranch to go Christmas shopping, then drove herself and Samantha Jenkins to a little-used oil-

lease road, ran a vacuum sweeper hose from the exhaust pipe to the car's interior and locked the doors. Takieddine left a note, but it did not explain why she wanted to end her life and the girl's, Cook said. He refused to reveal

WELL, HERE'S YOUR CHANCE. SUSIE'S COMING THIS WAY.

MAYBE I'U

START

the note's contents.

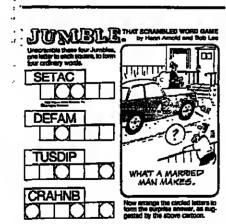
GOOD WILL A DAY? THAT'S

PRETTY MANY

DENNIS THE MENACE



HOW COME ALL THE CHRISTOMAS SONES ARE NAMED AFTER SOME GIRL CALLED 'CAROL' ?



(Answers tom Chies: Older Booty Prefix Westony

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BEETLE BAILEY

GRAFFITI ?

WHO DID THIS



WHY?



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CALVIN AND HOBBES

I'VE GOT A PLAN.

WIZARD of ID



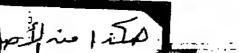


REX MORGAN









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SPORTS BASKETBA

Ewing Is Big Daddy For Inspired Knicks

New YORK—No matter what the sport, the popular cliche word is "intensity." But that's simply a synonym for being in the game beyond the game, for being in the game emotionally, almost spiritually. And as the New York Knicks roar along in first place in the Atlantic Division of the National Basketball Association, nobody is in the game more emotionally than Patrick Ewing.

It's as if the Knicks were his team now. His responsibility. During their 108-94 deflation of the Nets on Tuesday night, Ewing didn't merely score 27 points in 29 minutes. When excitable John Starks was assessed a technical foul, Ewing growled, "We don't need that," then spanked him on the posterior. When a scuffle with the Nets developed, Ewing scolded Charles Smith, then cuffed Anthony Mason as a forgiving fether might ing father might.

Point

In another crisis, Ewing spoke sternly to Starks, who touched him on the right arm. Ewing responded with a tender tap to the head.

on the right ann. Ewing responded with a tender tap to the nead.

More than any of his teammates, Ewing could be seen clapping and cajoing. By raising his level of intensity, he raised theirs.

Small moments, to be sure, but moments of subtle significance. In other seasons, Patrick Ewing never acted quite like this. He has always been intense, but not this intense. Not this emotional. Not this responsible. Asked about it, be acknowledged the difference in him.

"I've been stepping up." he said softly, "and trying to be more

outspoken.

Maybe it's because Ewing realized, at age 30 and in his eighth NBA season, that he is now the Knicks' elder statesman. Maybe it's because Mark Jackson, Xavier McDaniel and Gerald Wilkins are no longer around to share that responsibility. Maybe it's because he couldn't expect any of the newcomers, even point guard Glenn Rivers, 31, to take over as

Whatever the reason, he's Big Daddy now.

"All the little things that Patrick does, that's my biggest surprise coming here," said Rivers, acquired from the Los Angeles Clippers in the Mark Jackson trade. "Patrick is a superstar, but he's the first guy on the court at practice. He dives for loose balls in practice. He yells at us at practice. When you see the best player on the team practicing hard, everybody else has to practice hard."

Even on the team bus Ewing is now Big Daddy.

"We'll be going to a game," Rivers said, "and some guys will be talking about this or that but then you'll hear Patrick saying, "Let's think about the game." The only way you can lead is with your best player."

A ROUND THE NBA, the Chicago Bulls are Michael Jordan's team.

Just as the Los Angeles Lakers were Magic Johnson's team and the
Boston Celtics were Larry Bird's team. Now the Knicks are Patrick

Ewing'a team.
Asked why, Rivers smiled.
"Patrick sees it," he said.

Patrick sees the ring, the NBA championship that a Knicks team hasn't won since 1973. Sometime late next season the 7-foot (2.1-meter) center will pass Walt Frazier as the Knicks' career scoring leader. But unless Ewing's team wins the NBA title, Ewing will never attain the stature that Frazier, Willis Reed, Dave DeBusschere, Bill Bradley, Earl Monroe and Dick Barnett did in winning the 1970 and 1973 championships.

To win the NBA playoffs, a team needs every edge, especially the

With a 14-7 record, the Knicks hold a three-game lead on the second-place Nets. But winning the Atlantic Division isn't enough. If the Knicks are to hold the home-court advantage in the Eastern Conference playoffs, their season won-lost record must be better than that of the Bulls. In the Eastern Conference finals last May, remember, the Knicks extended the Bulls to seven games, but lost that seventh game in Chicago Stadinm.

If the Knicks are to produce the best won-lost record in their confer-

ence, they must improve their record on the road. Even with their Tuesday night triumph at Byrne Meadowlands Arena, they are only 3-6 on the road, in contrast to 11-1 at Madison Square Garden.

That's why Thursday night's game with the Celtics in the Boston Garden would be more important than the standings might show.

The Knicks have lost 23 cousecutive regular-season games in the Boston Garden but the Celtics, in their first season without Larry Bird, have been struggling under the .500 mark. If the Knicks want that homecourt advantage throughout the Eastern Conference playoffs, they need to win on the road. Just as they won Tuesday night on the road, even if the road was the New Jersey Turnpike.

All the good NBA teams win at home. Winning on the road is how a good team turns onto the road to the championship.

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Major College Scores

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Cent. Florida & Florida A&A & Georgia Southern 70, Eckerd 59 Georgia Tech 75, Georgia &7 LSU 93, Compbell 71 Louisville 93, DePoul 28

rds 5-9 5-8 15; Davis 7-11 2-4

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BASKETBALL

NBA Standings



Dennis Rodman got 21 rebounds - and a hump from Duane Ferrell - as the Pistons beat the Hawks for a second straight night.

A Diminished Sampson Still Stands Tall

HARRISONBURG, Virginia ---In less than a year, Ralph Sampsoo'a annual salary went from 52.24 million with the Sacramento Kings to \$16,000 as an assistant coach at James Madison Universi-

On the surface, it would appear to be another in a long list of blows to someone who didn't live up to the expectations that come with being a 7-foot, 4-toch (2.23-meter)

basketball player, Sampson doesn't see it that way, "I'm very excited to be here," he said of returning to his hometown to make a career change at 32.
As enthusiastic as Sampson pro-

fesses to be about his role at James Madison, his boss, Lefty Driesell, is even more upbeat "I'll tell you, he's a good coach. He knows the game," Driesell said. He draws stuff on the blackboard. He knows how to run out-of-

He knows how to run out-of-bounds plays. He's given me a lot of good stuff.

"I think he's going to be a terrific coach. I really do. And I think part of it is because his career was ended early. That's what happens a lot of times when you want to do real good at something but you don't get to — "for whatever reason." You've still got that energy."

Sampson still speaks of possibly returning to professional basket

ball, a subject that brings a pained expression to Driesell's face. 'He can't play," Driesell said.

Ark-Little Rock 80, Tenn-Martin

HOCKEY

After being named the national player of the year three times while

Houston Rockets in 1983, signed a four-year, \$7.49-million contract and was voted the NBA's top rook-He averaged more than 20 points and 11 rebounds in his first three

NBA seasons, but then problems set in. He underwent three knee operations in 1987 and 1988.

perations in 1987 and 1988. At James Madison, Sampson is Sampson went to the Golden what is known as a restricted-earn-State Warriors, then to Sacramen- ings coach, which means NCAA day," he said.

in practice, and the guy can hardly to, which in November 1991 jump. Ralph's legs are in bad shape."

Sampson's travels seem to back up that assessment.

to, which in November 1991 bought out the final two years of his \$2.24 million-per-season contract. He played briefly with the Washington Bullets, but scored just Foremost among those restrictions is that he cannot recruit off-cam-

But Driesell keeps him busy. He handles many of in-office duties, coordinates the Dukes' condition-22 points in 10 games. From there, it was on to a team in Malaga. Spain, where be lasted until April. "Why would be even want to go ing program, does much of the scouting work, assists with on-campus recruiting and works with James Madison's centers and other back and play just to average three points a game or something like that?" Driesell said. "I think it post players.
"I've always wanted to get into would be a discredit to what be's

Coaching." Sampson said.

Now that be's getting the chance, it's giving him hope for a future in which he could try to meet a differ-"People had high expectations,"

Sampson said, "but they didn't see ent set of expectations. "I want to be a head coach in Division I some-

Mavericks Give Themselves a Gift: A Second Victory

consecutive losses and a four-game road trip coming up, were aching

Sean Rooks came through when the Mavericks needed them Wednesday night, in a 102-95 victory that snapped the Los Angeles Lakers' five-game winning streak.
"We needed this game desperately," said the Mavericks' coach,
Richie Adubato, who added: "Our

nerves were on edge and you just can't go that long without winning." Since the Mavericks beat Atlanta, 113-105, on Nov. 14 - their only other victory this season they had lost 12 games by at least

points, with an average margin defeat of 20.3 points. las' last home game before Dec. 26. "Merry Christmas," Adubato

Rooks matched his career-best

fourth quarter. Rooks was 10 of 13 from the had 16 points and 13 rebounds. field and added nine rebounds for Pacers 114, Celtics 91: Indian

the Mavericks. blowing the game open, starting the ooce in 79 meetings, by 130-101 on third quarter with a 10-0 run for a March 29, 1983.

66-55 lead as Dallas committed five Bot the Mavericks entered the night on Bill Laimbeer's tip-in with last period trailing 84-80 after 0.8 seconds remaining.

Bond scored 13 points. The Hawks, who have lost 11 of

cit in overtime by scoring seven of

The Dallas Mavericks, with 12 sets and had split 14 since 1975-76.

Trail Blazers 100, Nuggets 99: Clyde Drexler scored 25 points and Terry Porter forced a key turnover for a victory.

And rookies Walter Bond and with 3.5 seconds left as Portland won in Denver and handed the Nuggets their sixth straight loss. Rod Strickland, who had 21 points for Portland, had the ball stolen by Chris Jackson with 10

NBA HIGHLIGHTS

seconds to go, but Porter knocked seconds left. After a scramble, a jump ball was called and Strickland won the tap from Jackson just be-

fore time expired.

Jazz 93, Hornets 91: Karl Malone scored 21 points, five in the The second victory came in Dal- final two minutes, and Utah improved its road record to 7-2 by winning in Charlotte.

said. "I haven't said that this year until tonight."

Bond, a reserve guard, scored all of his 21 points in the second half, back in the final seconds, but Larry Johnson's 3-point shot at the buzzwith 22 points, and the Mavericks er bounced off the rim. Johnson held the Lakers to 11 points in the had 29 points and 10 rebounds, while teammate Alonzo Mourning

Pacers 114, Celtics 91: Indiana winner of six of seven games, has Los Angeles was on the verge of beaten Boston by more points only

Pistons 89, Hawks 88: Detroit turnovers and missed all four shots. beat Atlanta for the second straight

Warriors 116, Clippers 114: 12 games to the Pistons, scored Golden State swept a home-and-only 28 points in the second half, home series for the first time in 17 tying a franchise low, and 13 in the years, overcoming a five-point defi-

the last nine points at Los Angeles. for Detroit, giving him 20 or more
The Warriors, who beat the Cliprebounds in nine of 10 games since
pers on Tuesday night in Oakland, returning from a suspension.

Montana: 'Great Day' Looms

accomplished in basketball."

Haltime Benkerbell Association PHDENIX—Put Oliver Allifer, center, on injured list. Activated Richard Dumosi, for-ward, from suspended list. POOTBALL

CLEVELAND Re-signed Alfred Jock

N.Y. JETS Signed Scattle Graham Fun-

name both.

SAN FRANCISCO—Signed Chuck Themes.

Center, Bruce Coffie, offensive Memor. Put
Reigh Term., offensive Memor. Bill Musgrave, quarterboth, on injured reserve.

CRICKET

WORLD SERIES CUP
One-day Motch
West Indies vs. Putision
Thomson, in System
West Indies: 2149 (30 overs)
Patision: \$1 (45 overs)

West Indies won by 123 runs. SIXTH DAY-HIGHT INTERNATIONAL

WORLD CUP QUALIFIER

South Africa vs. India Thursday, in Durbon, Footh Africa South Africa: 216-8 (50 overs)

SANTA CLARA, California - The stage is being set for quarterback Joe Montana to make an "uproarious" Hollywood return during the San Francisco 49ers' Monday night finale against Detroit on Dec. 27.

"I think it'll be bedlam," Carmen Policy, the president of the 49ers said in a telephone interview from the owners' meetings in Dallas. "It'll be like everyone opening Christmas presents as a kid. I think it'll be a great day, or

should I say, evening."

Coach George Sedert has all but announced that Montana — the four-time Su-

Sursou (4), Bradley (34), Raskle (2), Tucker (4) 2; Goudreou (6), Kisle (9), Continsh (5) 2. Spats on good—Tompo Bay Ion Hockett) 13-14-

IZVESTIA TOURNAMENT

Greep A (Maccent) Sufficient 3, Canada 2 Russia I 2, Czechoslevakia 4

Gross B (St. Pelersburg)
Finland & Germany 2
Russia II 4, Sweden 2

TRANSACTIONS

CINCINNATI—Agreed to minor contract with Bill Landrum, pitcher, FLORIDA—Agreed to minor leage

BASESALL

played in two seasons because of elbow pain - will be activated before Saturday's game

against Tampa Bay. A victory would give the 49ers the home-field advantage for the playoffs, and the final game as an opportunue tuneup for Montana. "It's proper and fitting that it's just not a few scaps in the last minute of a fourth quarter," said Policy. "This way, he'll have a chance to get into the flow. But, again, it's the

Scifert has not commented about his plans. Montana, asked if he had a preference, said Wednesday: "Doesn't really matter to me...



SIDELINES

Terry Bowden to Coach at Auburn

AUBURN, Alabama (AP) - Terry Bowden, the son of Florida State's coach, Bobby Bowden, was named the football coach at Auburn on

Bowden leaves as coach of Division I-AA Samford University for an Auburn program that was among the nation's best prior to NCAA troubles that led to Pat Dye's resignation as coach last month. Bowden, a 36-year-old West Virginia graduate with a law degree from FSU, had a 46-22-1 record in six years at Samford, with an overall record of 65-35-1 in nine seasons of coaching. He was 21-5 the past two seasons.

CLEVELAND—Re-eigned Afred Jockson, corretreats. DETROIT—Put Leonard Burton and Blake Miller, centers, on Infured reserve. Stoned Miller Accionate and Strad Lespert; centers, GREEN BAY—Wolved Johnnie Jockson, suriety. Wolved Marty Hochertz, detensive end, off procitics sequed. Action Security. Wolved Marty Hochertz, detensive end, off procitics sequed. NEW ENGLAND—Stened Lee Saltz, sucriterback, to practice sequed. NEW ORLEANS—Put Fred McAfre, running book, on Injured reserve. Stood Buford. Lewis Plans to Fight Stewart, Tucker LONDON (Combined Dispatches) — Lennox Lewis of Britain will make a voluntary defense of his WBC heavyweight title before taking oo leading contender Tony Tucker of the United States if the WBC ap-

including a 55-0 loss to Dye's Auburn team this fall.

His manager. Frank Maloney, said Thursday that after loog talks with the WBC's president, José Sulaiman, be was confident approval will be given for Lewis to fight London-born Jamaican Alex Stewart in the first defense of the title awarded to him Monday. Riddick Bowe was stripped of the WBC title for refusing to meet leading contender Lewis, but remains the WBA charming. remains the WBA champion.

For the Record

m that country, was given the green light by the British Foreign Office on

Patrik Andersson, a defender who has played a key role in the Swe team's 3-0 start in World Cup qualifying, signed a contract with Black-burn Rovers of the English Premier League for a reported transfer fee of The Toronto Blue Jays will each receive \$114,962.16 for winning the

World Series, the losing Atlanta Braves each \$84,259.13 from a record pool of \$13,530,613, baseball officials announced. (UPI)

NFL Owners Delay Vote on Labor Pact

By Leonard Shapiro

Washington Past Service
DALLAS — National Football League owners, briefed for more than nine hours on a potential agreement that would settle six years of labor disharmony, left their meetings here without voting out last week by Commissioner Paul Tagliabue and James Quinn, the attorney for the NFL Players Association

"We made progress today well beyond yesterday," Tagliabue said Wednesday night. But there were on negotiations, the players and their representatives having left Dallas the night before.

"There was a strong consensus" among the owners "to bridge the differences and get a settlement," Tagliabue said.

But Quinn, speaking from New York, said, "What I find amusing is they make progress with themselves, but they have to make progress with us."

Tagliabue, before heading for the airport to catch a flight to New York, said be would call Quinn oo later than Thursday morning and that be hoped to schedule a meeting before the end of the week.

The last owners meeting also included a morning discussion of a oew so-called Plan C for free agency being prepared by a four-man league committee in case the current oegotiations break off with the players. If talks disintigrate, the new plan must be submitted to U.S. England's cricket tour of India, in doubt because of the religious strife

District David Doty in Minneapolis for consideration. Doty will rule on the approximately 600 players whose contracts expire Feb. 1 can

become free agents. Said Quinn: "We've got a date. we've got a judge, and we've got lots of goodies for them and lots of goodies for us. We've both made a lot of compromises. Now we've got (UPI) to do it."

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By Russell Baker NEW YORK — The year is ending, a barrel of mail is still

Eugene Weinstock of Brookhaven, New York, for example, deserves an apology. On July 26 he wrote suggesting a column on the incessant deaths of the American

"Just about every other day for the past 30 years a news article, Op-Ed piece, feature article or book review in The New York Times announces the death of the American Dream," he wrote. "Two questions: First, how does the American Dream manage to revive itself with such monotonous regularity? Second, how come such a commooplace event as its demise is regarded as oewsworthy by The Times?"

Before I could write the column Weinstock proposed, Ross Perot started talking about the death of the American dream, and so many people seemed to believe the thing really was either dead or dying that

it seemed unwise to make light of it. H. L. Mencken had the courage oecessary to ridicule poppycock, but we modern news folk are too craven to kick a beloved old cliché. much less ridicule a billionaire trying to buy himself a presidency. Sorry, Mr. Weinstock, but thanks.

Louis Gordon of Boca Raton, Florida, sent a joke about memory loss: A man paralyzed with indecision on a staircase can't remember whether he intended to go upstairs or down. It sparked a column on forgetting, but a thank-you note to Gordon was inadequate. The column, he replied, should have cred-

"Come on, Mr. Gordon," I started to write. "Where in 'Anna Karenina' does Tolstoy credit the idea for Anna's story to the real-life woman who committed suicide by jumping under a train?"

Writing this letter felt good because I had long yearned to classify myself alongside Tolstoy. Before I finished it, however, Louis Sirkin, also of Boca Raton, wrote with a story about a famous genius who pauses in a corridor to talk with a friend, then asks, "By the way, which way was I going when we

stopped to chat?" That way," said his friend. "Well," said the genius, "in that case I have already eaten."

Beverly Hills, California, sent the story of an old couple who had been urged to "write everything down promptly, as it helps the pro-cess of recall." Rich's version fol-

"Watching television that eve-ning, the wife rises and starts for the kitchen. The husband says, 'As long as you're going to the kitchen, would you bring me a bowl of ice cream?" She says, 'All right,' and

"'Wait, wait. First write it

"'I don't have to. It's just two steps to the kitchen."

" By the way,' he says, 'put chocolate syrup on the ice cream. "'All right,' she says as she

'Write it down,' he cries. "It's not necessary," she insists.
"I'm already in the kitchen." "In a few moments the wife ap-

pears and says to her husband, Here's your oatmeal.' "His reply: 'So where's my

Never mind Tolstoy, Mr. Gordon. Thank you for the joke that inspired Sirkin and Rich to enable me henceforth to plagiarize Gilbert and Sullivan when the laugh is about senility: "I've heard that old

joke from my cradle." From Lakeville, Connecticot, Robert Yoakum wrote a scolding letter based on the misapprehension that this column endorses the eating of brussels sprouts, a comestible which, in his opinion, deserves

only "contempt."

Rather than reply privately, assuring Yoakum that he misunderstands my position on brussels sprouts, I use his letter to give the public a crack at a remarkable investment opportunity.

My engineering assistants are even now putting the finishing touches on a brussels-sprouts-eating machine, which this column first proposed 20 years ago. This will be an unobtrusive device, carried easily in pocket or purse.

Its lucky owner, confronted with a plate bearing brussels sprouts, simply places the brussels-sproutseating machine alongside the plate and lets the machine do the eating. thus leaving the cleared plate so flattering to dinner-party hosts.

A few kinks - mechanical belches, actually - remain to be ironed out of our prototypes, but relief for the world's Yoakums is In the same mail John Rich of oot far off.

Against Tide: Gypsy Theater in Germany

By Michael Lawton

"OTTBUS, Germany — "Theater against violence" it doesn't sound like an equal contest, but that's what they have called the tour of Federico García Lorca's play "Blood Wedding," performed in the Romany language, by the Pralipe Gypsy theater company. From Chemnitz to Rostock, in the towns and cities where Gypsies from Romania and the former Yugoslavia are the objects of daily attacks, the Gypsies of the theater are trying to offer. an answer to the outbreaks of barbarism in Germany. They came to Germany two years ago from Macedonia, where they were totally demoralized after years of official

neglect.

They were welcomed with a grant from the state government of North Rhine-Westphalia, which simultaneously deports other Gypsies, some of whom have lived in Germa-oy for years, back to Macedonia. People are aware of the

Since they came to Germany, Pralipe's members have seen a massive increase in violence against foreigners. Rahim Burhan, the company's founder and director, feels wounded by it. "I thought this kind of violence was only possible in small nations, like those of former Yugoslavia. The Germans are so big and powerful; they don't need this

Cottbus, 120 kilometers (75 miles) southeast of Berlin is the home of the oeo-Nazi German Alternative, which claimed, until it was banned last week, around 1,000 members. Its leader, Frank Hühner, is seen as a hero by many of the young people in Sachsendorf, the big housi estate on the southern edge of the town where the asylum seekers' hostel is located. The high point of neo-Nazi activity in Cottbus so far came at the end of August, when skinheads tried unsuccessfully three nights running to storm the hostel.

Just hours after the attacks, Christoph Schroth, director of the local theater, put on an evening of theater and political discussion.

"If theater people don't just want to be parrots," Schroth said, "then they have to get involved in politics." And so when be was offered a visit by Pralipe, it was obvious that he would say yes. He wanted the visit to offer the opportunity for artistic and political commitment.

Rahim Burhan wanted the performance to be a chance for the Cottbus audience to learn about the culture of his people. The Gypsies, he says, had a highly developed traveling theater tradition that died out in the 19th century. They had brought it from India — where the Gypsy people has its roots — together with the Romany language, which is

Burhan has spent the last 20 years, first in Macedonia, then in Germany, dedicated to his theater's re-invigoration. But there is nothing folksy about his productions. His mentors are Brook, Artaud, Grotowski, and he draws on

Indian Kathakali and Japanese Kabuki theater. Pralipe's repertoire in Germany is a demanding one, including, as well as "Blood Wedding," plays by Sophocles, Aeschylus and Shakespeare

When we begin to read Shakespeare, we read him as if he were our writer," Burhan said. Even if the play is part of the European classical tradition, the production is the

expression of Gypsy culture.

The andience in Cottbus for "Blood Wedding" was an unusual mixture. There were the regular theatergoers, members of church and school groups, and about 50 Gypsies from the refugees' hostel, who sat in the front rows in large family groups and responded loudly to what took place on the stage; their small children sat as if bewitched by the

One of the Gypsies said afterwards that the tale of love, jealousy and death was just like what could be found in any Gypsy family. They were the only members of the andience



Leonardo (Nedio Osman) and The Bride (Elizabeta Kocovska) explore the symbolism of an orange in Romany version of Federico García Lorca's "Blood Wedding."

who understood the language — a rare treat for the actors. The others had to trust the bold visual imagery, the emotional acting, the passionate music.

The production, which takes place on a sand-strewn stage

in front of richly burnished gold paneling communicates through its metaphors: The way the characters eat an orange becomes symbolic of attitudes to love. Do you press it passionately against someone's mouth? Do you peel in absentmindedly while thinking of something else? Do you tempt with it, only to withdraw the offer? Or do you throw

baskets of oranges over the dead bodies of the rival lovers, as at the end of the play?

The theater was nearly full, and for most of the andience—many of whom were used to seeing Gypsies simply as desolate figures begging on street corners—the experience was oew and welcome. They had to open themselves to a world. world without words, to understand by intuition.

Kleinschmidt, saw the play raising questions about how

ACROSS

1 Flight records

a Recorded

In a discussion afterwards, the town's mayor, Waldemar

10 Progeny

20 Quotation: Part |

-- be . . .

23 "The powers

24 RR depot

people deal with the burning political problems of jealousy, hate and violence.

Many people in Cottbus, as elsewhere in Germany, believe that the majority, like them, do not want to see foreigners made into the scapegoats for the failure of the country's politics, but they feel helpless against the energy of the minority. They despair as demonstrations, candle light vigils, open days at the refugees' hostel, and theatrical performances don't stop the nightly attacks.

These performances will have an effect, however, said the

These performances will have an effect, nowever, said the town's commissioner for foreigners' affairs. Helmut Groba. This is where the discussion should start, be said, perhaps too hopefully: "The right-wingers are members of families, perhaps even the children of people in the audience; in that way, the play will bring movement in the argument." The Pralipe troupe will perform in Dresden on Dec. 21; Magdeburg, Dec. 27, and Munich, Jan. 27.

CROSSWORD

3 Actress Lollobrigida

4 Stroll

Michael Lawton is a free-lance writer based in Cologne.

PEOPLE

Kohl's Suurise Formula: No 'Grumpy' TV News

Helmut Kohl has a formula for starting the day: He boycotts all morning television news shows "Just seeing these journalists and politicians who look so grumpy because they had to get out of bed so early makes my coffee lose its taste. the chancellor said at a Boun press conference. Germany's two statenm channels launched breakfast TV early this year after commercial stations had pioneered the format and a private 24-hour all-news channel began broadcasting last month. It's just "a further loss in the quality of life." Kohl said.

Michel Petrucciani and Gilda Butta are both jazz pianists, so when they marry on Monday they will have their reception at the Village Vanguard in New York. Petrucciani has two children from a previous marriage.

The producer George Stevens has deleted all footage of Ginger Rogers and Fred Astaire dancing from the upcoming TV broadcast of the Kennedy Center Honors reportedly because Astaire's widow manded compensation. The images were used in the honors ceremony two weeks ago, and Newsday reports that Robyn Astaire had threatened to sue the center if it used any of the same images in CBS's Dec. 30 broadcast.

Prince Charles expressed regret at the lack of contact between the generations, adding he valued con-versations with his grandmother, Elizabeth, the Queen Mother.
"Older people can provide a source
of contiouity and wisdom." Charles, speaking at an awards ceremony for the charity Age Re-source, mixed up three of the commendations to the amusement of the mostly older audience. "Even at my advanced age I can make a muddle," the 44-year-old prince

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> See Today's **Sports Page**

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14 "Caro nome,"

Solution to Puzzle of Dec. 17

41 What walls ha 43 Sediment Unexpected winners 48 Edible ceres quotation 57 Sans-58 Jog 59 Baal, e.g. 61 Telamon

62 Membrane of a bird's beak 64 Quink and 65 Hannah Van 66 Poet Lazarus DOWN 1 Trail

2 City on the Oka

By Alan Truscott

36 Philologist who

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 Highbinder 7 Prong of a fork a "Vissi d'-----," 16 Iterate 11 Foolhardy 12 Together: Mus 13 Chicago-to-Atlanta dir.

21 Nkrumah's 22 River to the

29 Vatican heads 25 Utopian 28 Al and Tippe 28 Putrefles

30 Outdo Zarathustra

22 "Uncle Tom' Cabin" girl 34 Dutch South O New York Times, edited by Eugene Maleska

42 N.V. Indian tribe 46 Recluse 47 Panegyrize 48 Arcturus's constellation

52 Canon

BOOKS

much of a purist to pursue such

FAIRFIELD PORTER: An American Classic

By John T. Spike. 320 pages. \$67.50. Abrams.

Reviewed by Hilton Kramer

T was insufficiently recognized during his lifetime that Fairfield Porter (1907-1975) was one of the best American painters of his generation - the extraordinary generation that gave us the Abstract Expressionisi painters of the New York School. The trouble was, of course, that Porter wasn't an abstract painter. He moved in the world of the New York School, he was greatly influenced by Willem de Kooning, one of its most illustri-

the movement's principal critical organ. Yet Porter remained unmistakably and unapologetically what Kenworth Moffett called him in the title of the posthumous retro-spective organized at the Museum of Fine Arts in Boston in 1983 - a Realist Painter in the Age of Ab-

This was not, to be sure, the only obstacle to a proper recognition of Porter's achievement. There were other painters at the time — Larry Rivers, Lucian Freud, Balthus who managed to surmount the avant-garde's resistance 10 realism.
But in cases like these the artist introduced into his realist imagery an element of scandal or provocaotherwise sensational - that appealed to "advanced" taste. This

wayward appeals. What he aspired to was a painterly vitality that was entirely faithful to his medium and yet firmly anchored in direct observacion This gave to his work a look that was easily misread as a rejection of modernism. As a result, Porter's landscapes, still-lifes and figure paintings, many of the latter portraits of family and friends, seemed too conventional for the avantgarde and yet insufficiently reac-

tionary to satisfy philistine taste. It wasn't until the 1983 Boston retrospective that the magnitude of his achievement was made clear to a large public, and the artist began to be accorded his rightful place in the artistic history of his time nearly a decade after his death. ous figures, and from 1951 onward was a practice entirely alien to Porbe wrote for Art News magazine, ter's artistic sensibility. He was too ously occeded a comprehensive would be seriously violated by such

scholarly account of Porter's life a book. The book's main disapand work. This is the book that pointment is its account of Porter's John T. Spike has set out to write in paintings. Spike clearly admires the "Fairfield Porter: An American art, yet he lacks the critical acumen Classic." In one important respect - its impressive research into the its specific aesthetic qualities. main lines of Porter's personal and intellectual development — the book succeeds admirably. The figure who emerges from this study ---a patrician intellectual, artist and writer of quirky beliefs and stubborn convictions, at once a socialist, an aesthete and a devoted paterfamilias presiding over a large family and a circle of dependent friends - is described in considerable detail.

The time has not yet come, how-ever, for a real "life" of the artist. There are simply too many surviving friends, relatives and profesoccided to give the reader a sense of

His prose never really connects with Porter's painterly style. Fortunately, the book's excellently reproduced illustrations keep Por-ter's accomplishment before the reader's eye on almost every turn of the page. It is finally because of its illustrations and its well-researched facts - but not for any illuminating insight into the art — that "Fairfield Porter: An American Classic" can be strongly recom-

Hilton Kramer, editor of the New Criterion and art critic for the New York Observer, wrote this for The

five clubs after hearing the an ope-ing two-club bid, strong and artificial on his right. North doubled to show he had

something of value, and South took a reasonable shot by bidding six spades. If he had held a singleton diamond instead of a singleton club, he would have been safe in six and trying for seven. As it was, he was due to succeed, thanks to dum-

my's spade-nine entry, barring a brilliant defense. ANY world-class players M were in a position to pocket West decided to gamble that his partner held the club jack. He care-fully led the club seven. He had a yet another otle at the conclusion

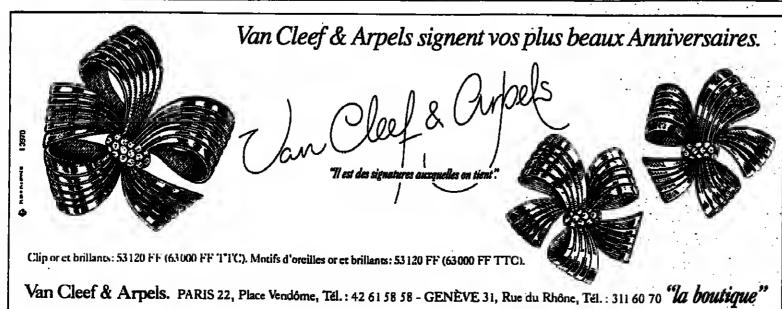
BRIDGE

of the American Contract Bridge sinking feeling in his stomach when East played the ten, but all was well: South followed with the eight League's fall nationals. The best opening lead of the first day of play was made in the Reisinger by a player who did oot qualify. On the East was Andrew Moss of Mandiagramed deal Jim Houser of Stanford, Connecticut, held the hattan, who was a few hours short of his 20th birthday and the youngest player in the semifinal. It was his turn to shine, and he did so by West cards and pre-empted with leading a beart for his partner to ruff, defeating the stam. He had worked out that his partner had led the highest of his club spot-cards to

signal for a return in the higher-ranking of the red suits. So West was a hero. But consider what his teammates would have said to him later if East had held the spade nine but not the club

jack. Then his brilliant opening lead would have permitted a hopeless slam 10 succeed.

NORTH ♣ Å K Q 7 6 4 3 __



A Collector Taps the 'Nostalgia Thing'

By Suzanne Slesin New York Times Service

N EW YORK — Alex Shear lives in the kind of looks right at home on a pedestal in the living room and a gas-station display of vintage automotive products is the decorative focal point of the home office.

Shear, a marketing consultant and collector, keeps memorabilia like salesmen's models of swimming pools, military panoramic photographs, Coca-Cola artifacts, life-size tin men and hand-painted roadside signs. He calls himself a "broker of nostalgia."

When Shear's antiquing became, as he called it, "scrious," he sold his shares of stock. "I bought American pop culture because I could control it, enjoy it and use it," he said. "It was a much more sensible investment than the stock market. The values are now going up. These objects are now getting the recogni-tion they deserve. Anyway, this is only a token of my archives. There's lots in storage."

of my things, I could," he said. "People have been after me for years, but I won't sell."

New York Times Service

TEW YORK — Alex Shear lives in the kind of place where a turn-of-the-century welder's mask is right at home on a pedestal in the living room da gas-station display of vintage automotive prodicts is the decorative focal point of the home office.

Shear, a marketing consultant and collector, keeps amorabilia like salesmen's models of swimming ols, military panoramic photographs, Coca-Cola only family were merchants." Shear said of my family were merchants." Shear said of Florida, where her family opened a department store in West Tamma, catering to the Cuban trade."

store in West Tampa, catering to the Cuban trade. Shear's father came from Lancaster, Pennyslvania,

where he was a wholesale toy distributor. While he grew up with a great desire to own toys, if was only about 12 years ago that Shear started fulfill-

ing his toy void.

Unlike many collectors, whose treasures are rarely

seen by the public, Shear has temporarily moved the cream of his collection from his crowded Upper West. Side apartment to the sleek Park Avenue Atrium to be But will be ever recoup his investment? "On many the subject of an exhibition titled "Favorite Things."